CMED 2014 Benchmarking & Industry Trends Survey

Martina Bison-Huckaby

Kris Risi

Jennifer Maden

Arne Johnson

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2014 Team

Martina Bison-Huckaby	Director, Center for Executive Education College of Business and Economics	WestVirginiaUniversity.
Kris Risi	Executive Director, Corporate and Executive Education LeBow College of Business	Drexel UNIVERSITY
Jennifer Maden	Assoc. Dean of Strategic Enrollment Management Columbia University School of Continuing Education	COLUMBIA UNIVERSITY School of Continuing Education
Arne Johnson	Marketing Manager, Professional Development and LearningLife College of Continuing Education	UNIVERSITY OF MINNESOTA

Today's Agenda

Benchmarking Study

Why is this valuable to you?

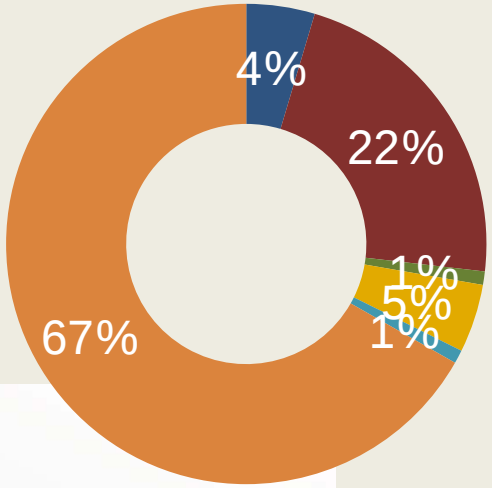
- Use results for building a case for resource needs
- Provide framework for who you want to connect with at the conference, as well as some talking points
- Incorporate into SWOT or other strategic planning for your team
- Identify your areas of expertise relevant to CMED participants, possibly lead to developing conference presentation for next annual meeting.
- Answer those nagging questions that keep you up at night! (Maybe...)

Note: YES, we will make slides available after the conference!

Jennifer

POPULATION

Survey Participants: Where in the World?



Asia/Oceania

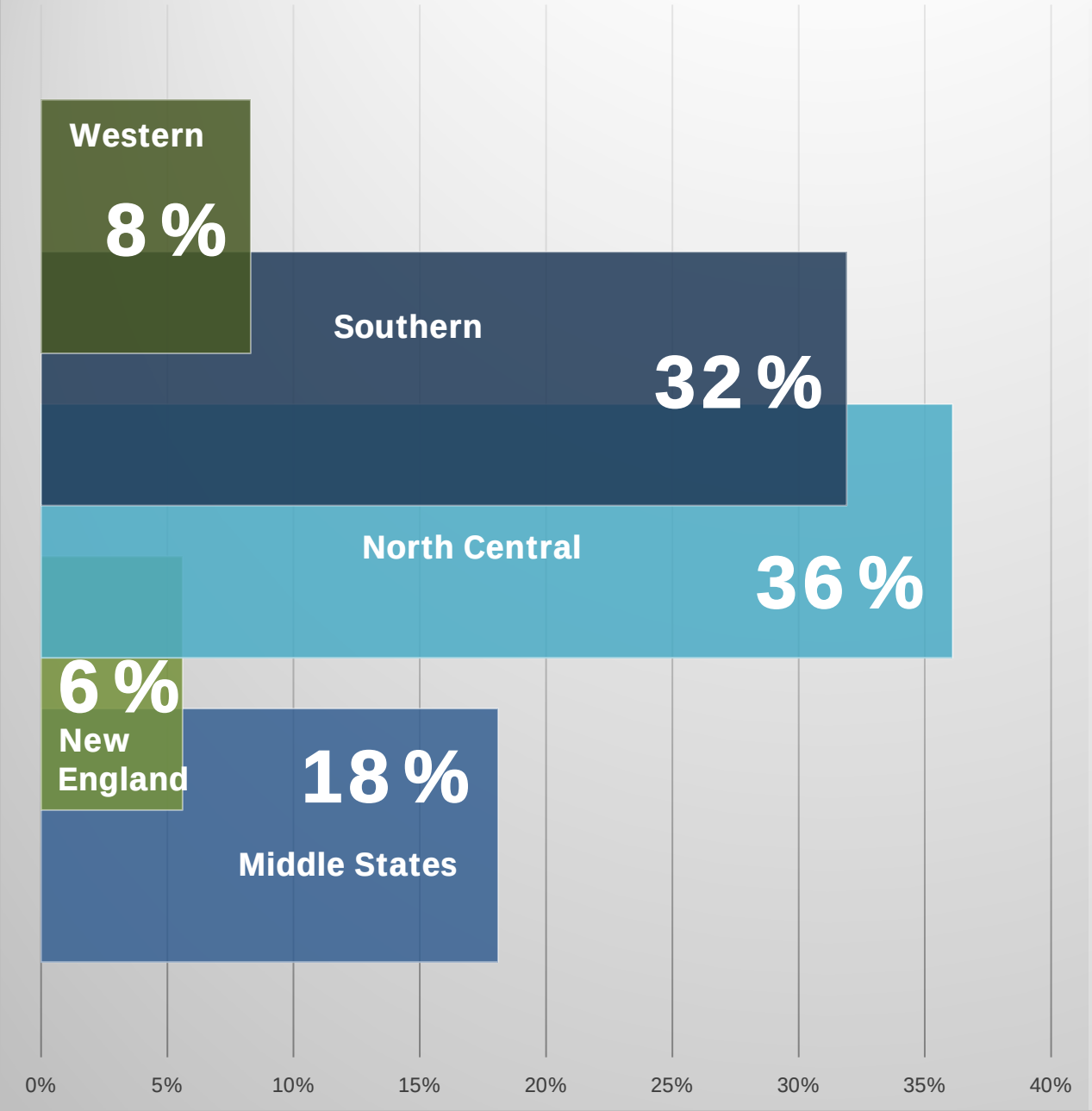
Canada

Caribbean/Central/South/Latin America

Europe

Middle East/Africa

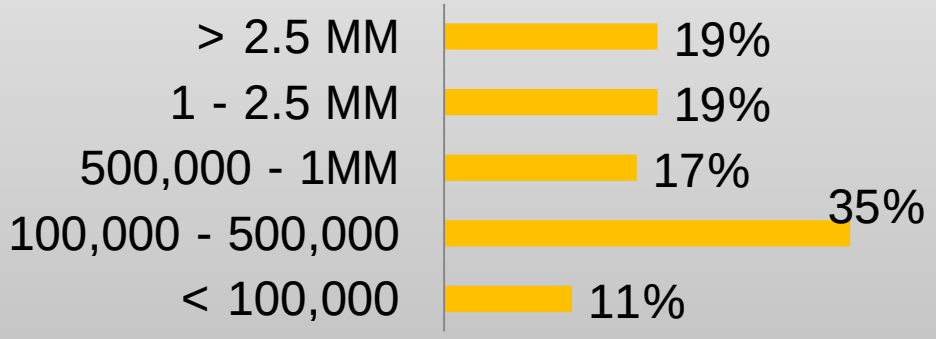
Regional Locations for US Institutions



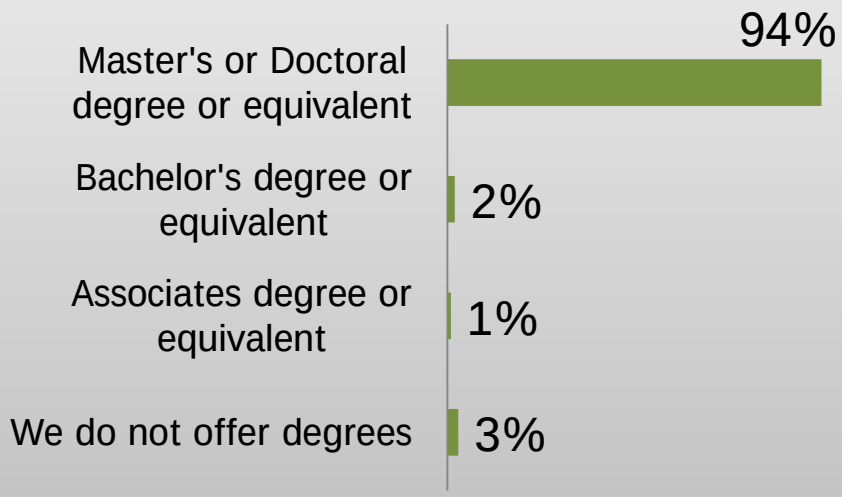
- Western (WASC-ACSCU)
  CA, HI, GU, AS, MP, FM, MH, PW
- Southern (SACS)
  AL, FL, GA, KY, LA, MS, NC, SC, TN, TX, VA
- North Central (NCA-HLC)
  AZ, AR, CO, IL, IN, IA, KS, MI, MN, MO, NE, NM, ND, OH, OK, SD, WV, WI, WY
- New England (NEASC-CIHE)
  CT, ME, MA, NH, RI, VT
- Middle States (MSCHE)
  DE, DC, MD, NJ, NY, PA, PR, VI

Institutional Profiles

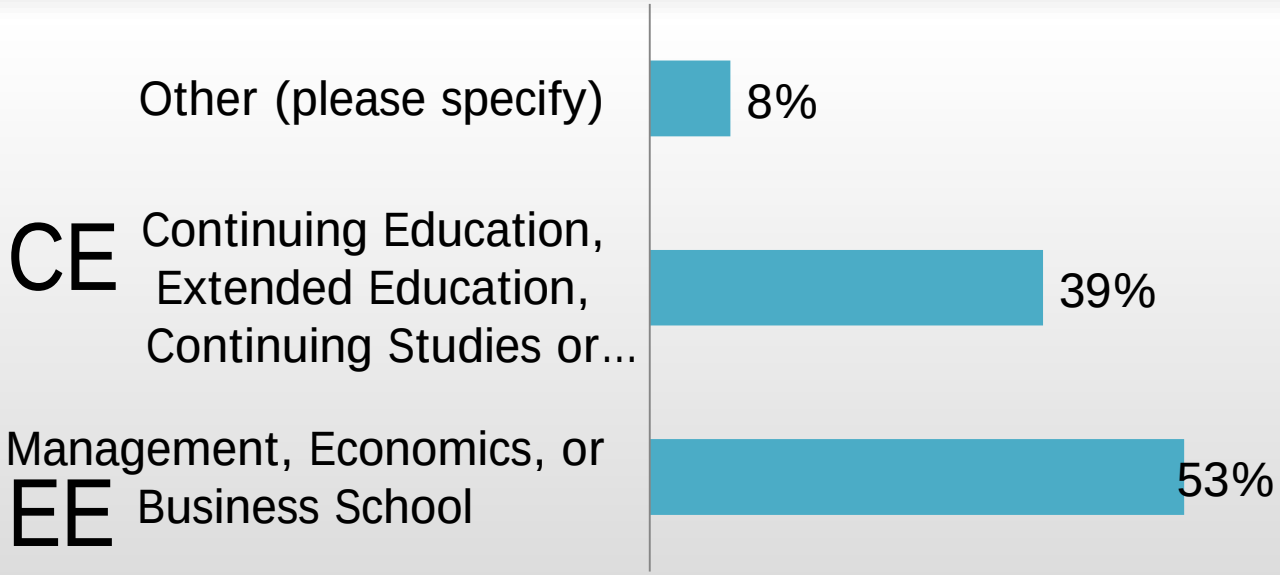
Metro Area Population



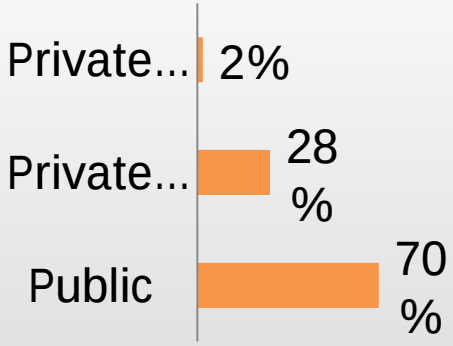
Highest Degree Awarded



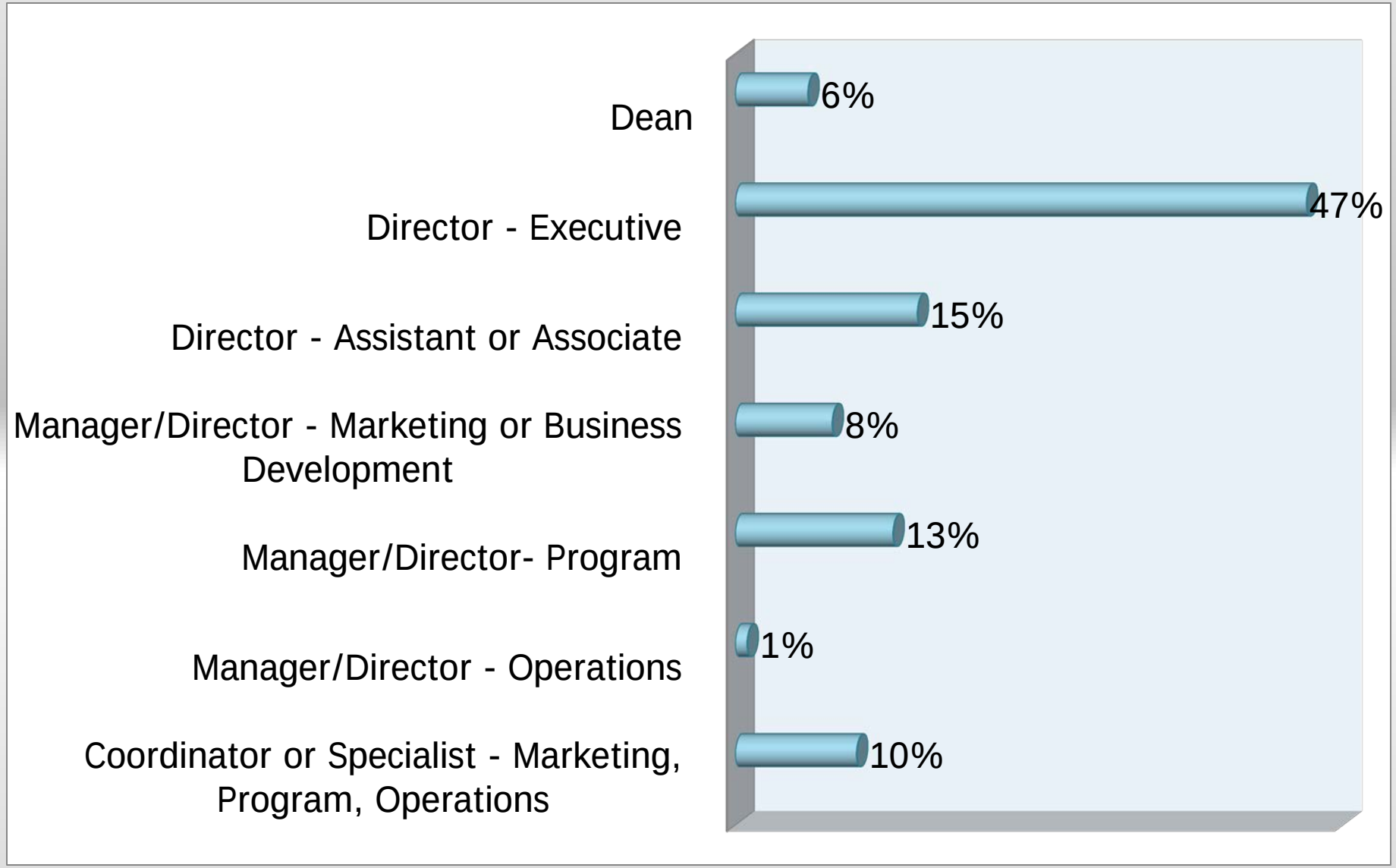
Unit Type



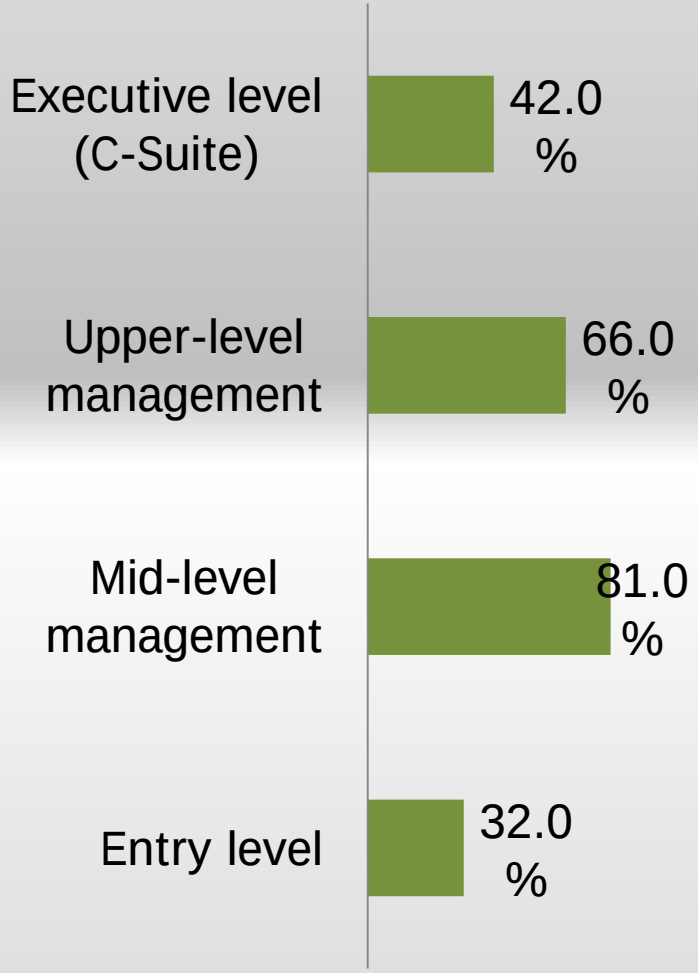
Institution Type

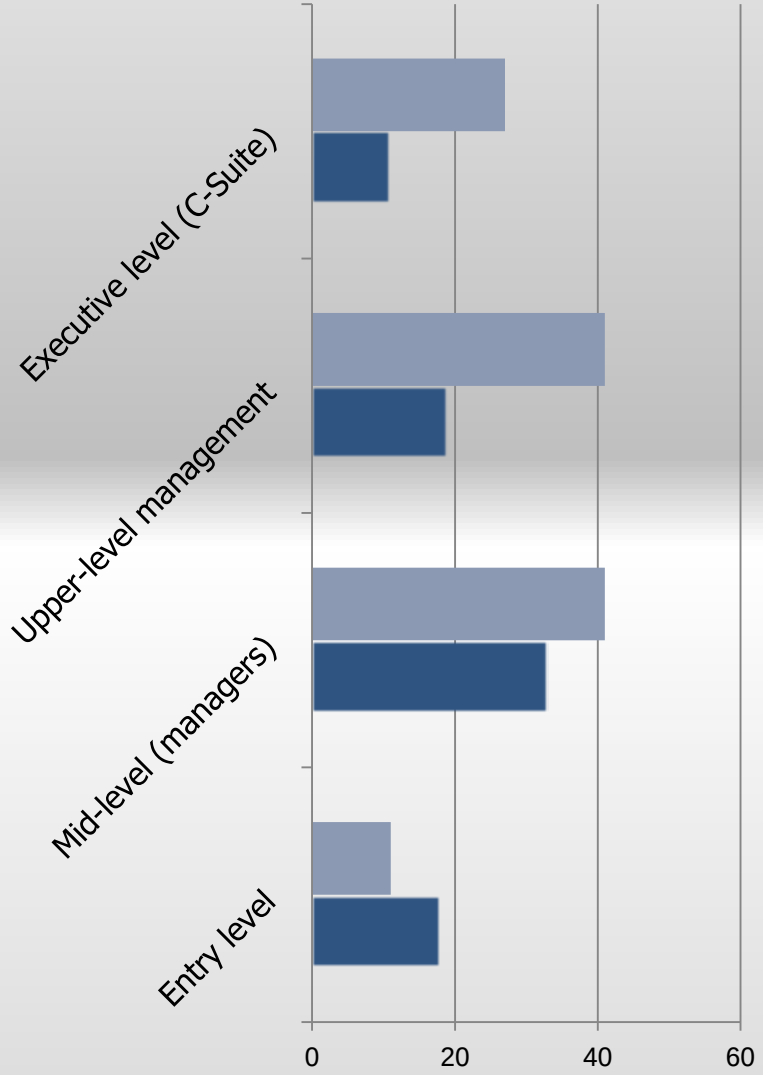


Roles of Benchmark Study Participants



Main program Audience





EE

- Management, Economics, or Business School

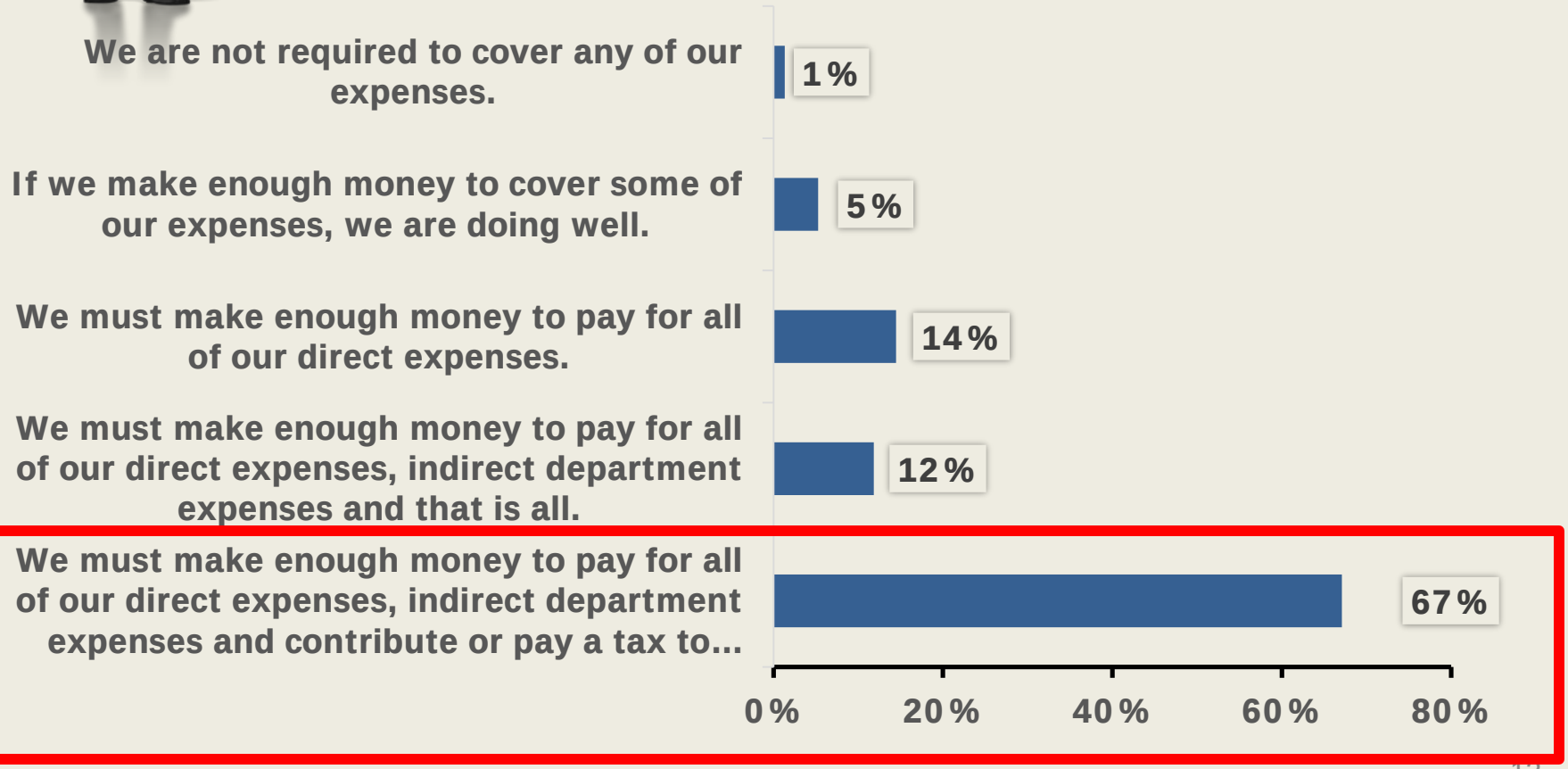
CE

- Continuing Education, Extended Education, Continuing Studies or similar group offering professional development

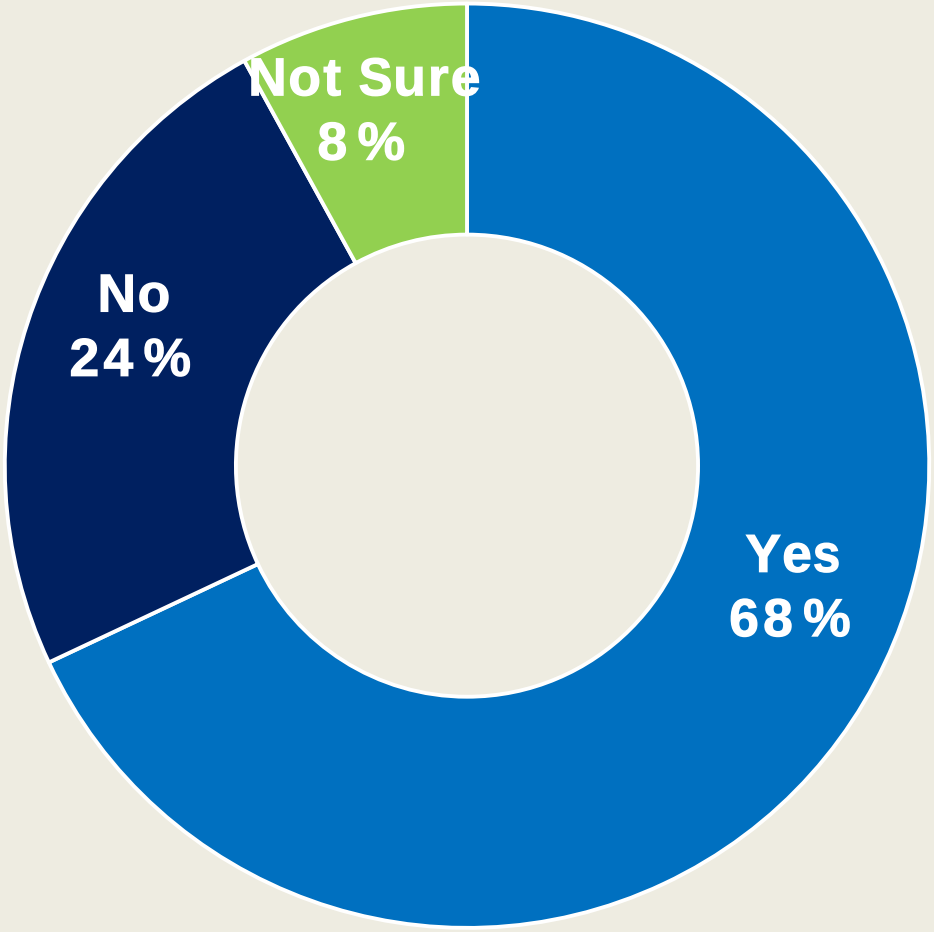
Martina

FINANCIAL MODELS

Department's Contribution to the University



Does your department/unit contribute to school and/or university indirect expenses?



How is the Contribution Determined?

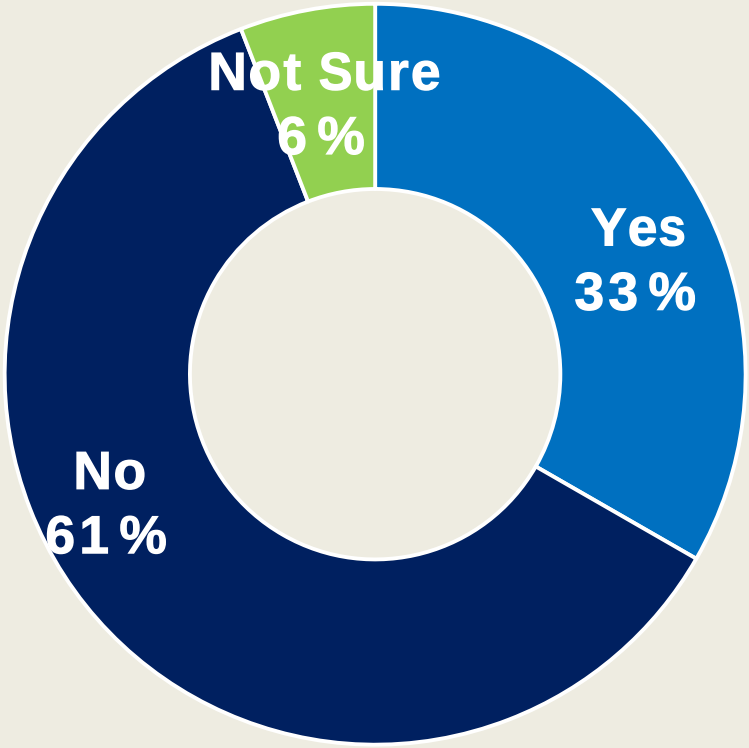
Executive Education

- Most share a percentage of their revenue (or sometimes expenses) with the business school
    - Percentage varies, generally set annually with dean based on performance
    - Yearly goals
- Many centers do not cover the staff's salaries directly, but they have to share all the profits after their direct expenses are covered back with the school

Continuing Education and Other Centers Types

Most Continuing Education Centers have to pay a "university tax" or other type of contribution towards indirect administrative and operating cost.

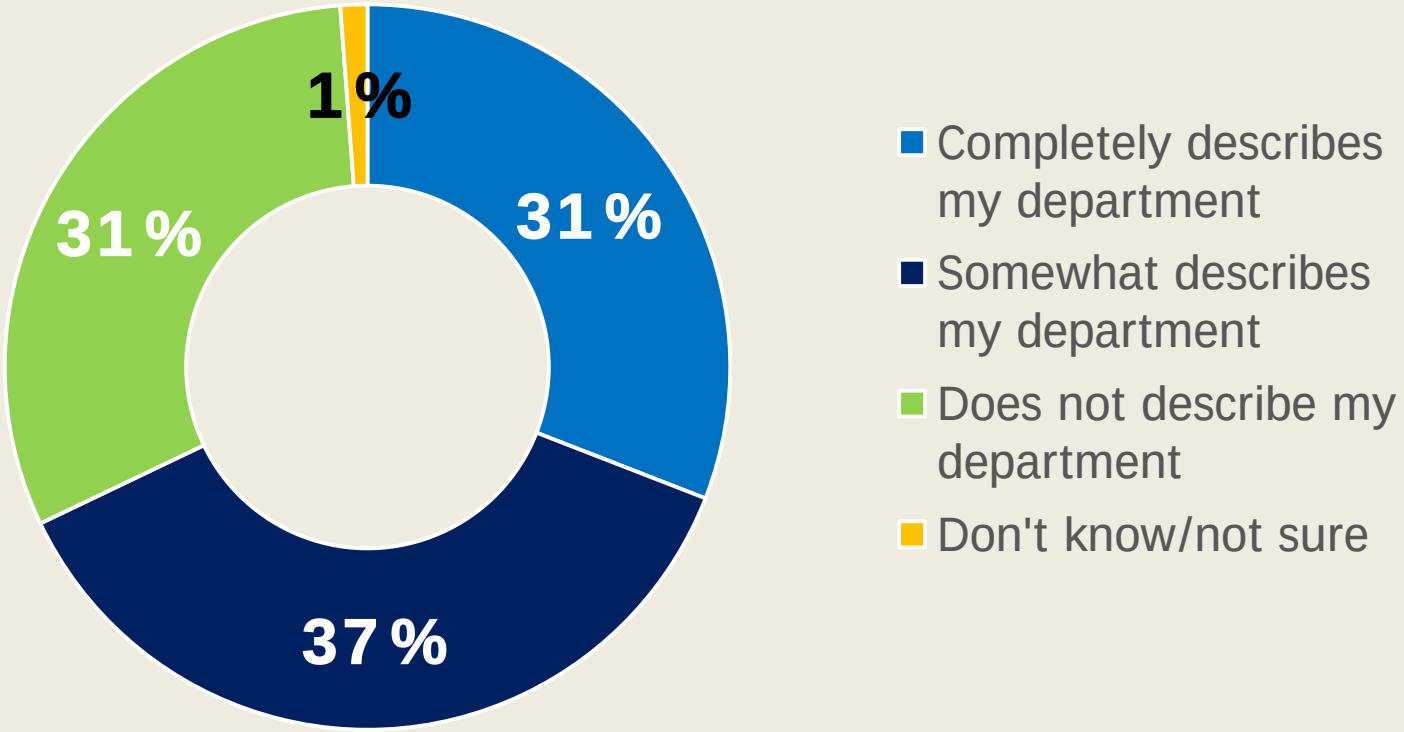
Has the Financial Model Changed?



How Has the Financial Model Changed?

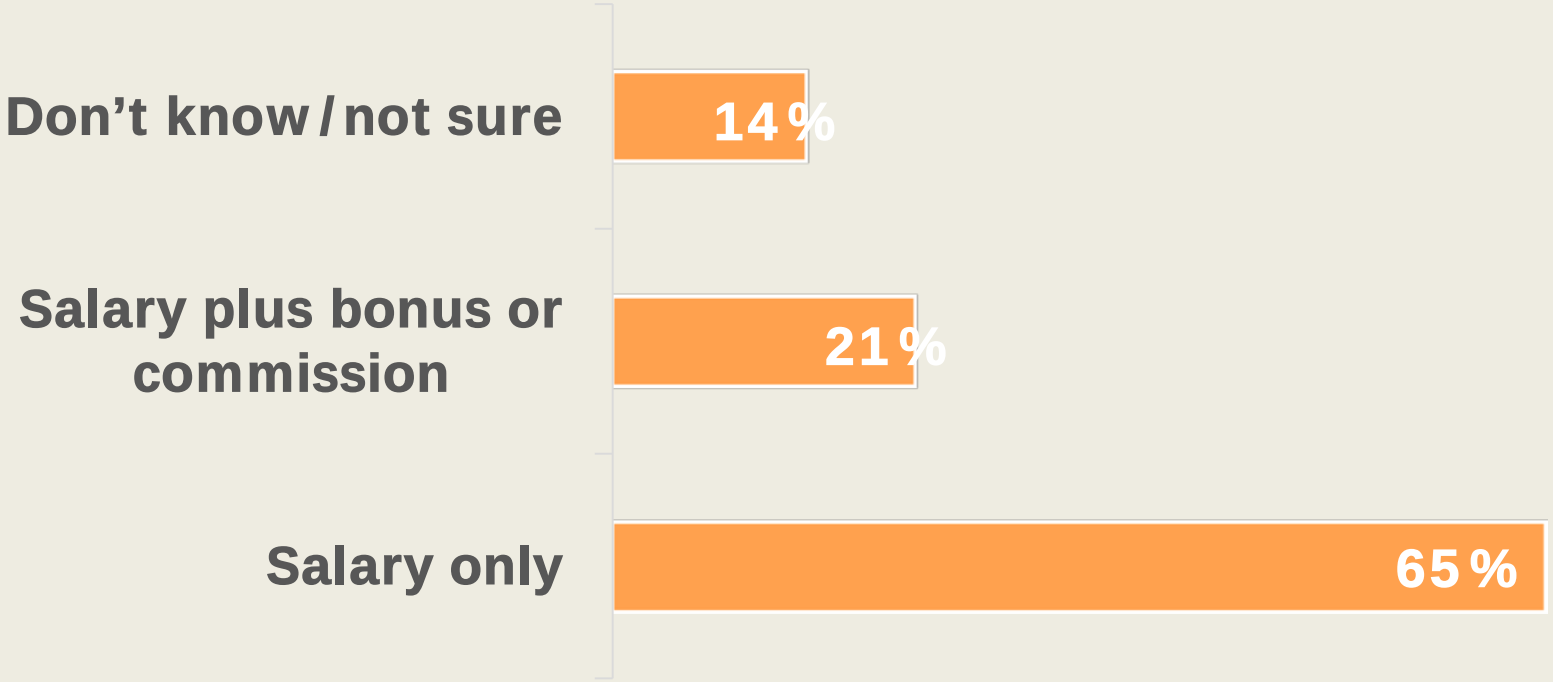
- Leaner staffing model
- Contributions to college or university are expected to be higher and higher
- Expected to be 100% self-supporting
- Increased focus on revenue generating programs and custom programs
- Additional revenue streams through new programs and services
- Restructuring of programs and revenue streams
- New leadership often means new approach

Have Dedicated Staff to Perform Sales Activities



31% of centers have dedicates sales staff!
Higher revenue (3MM+) tend to have more dedicated sales staff

Sales Staff Compensation



2012: 12%

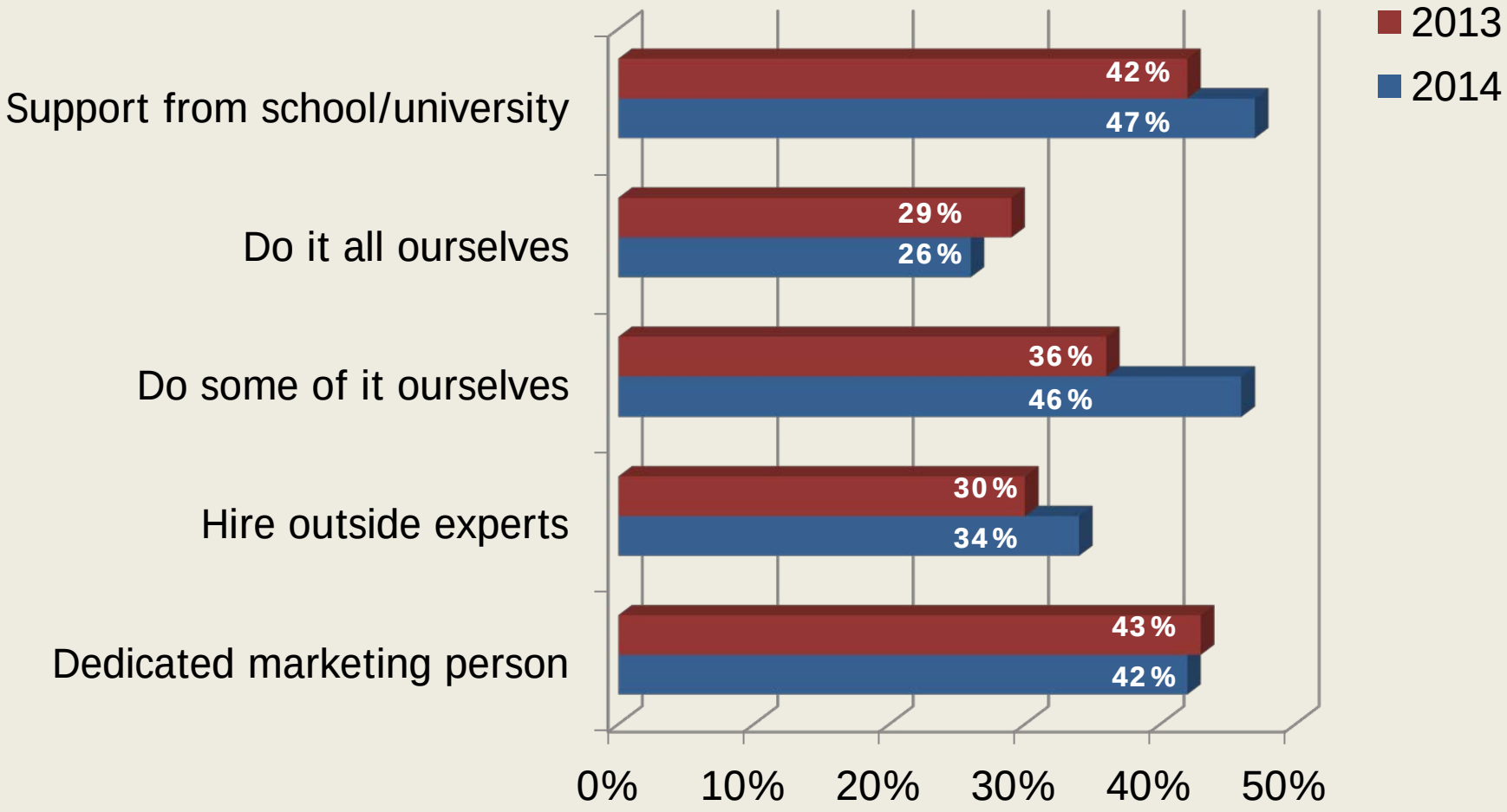
2013: 16%

2014: 21%

Arne and Jennifer

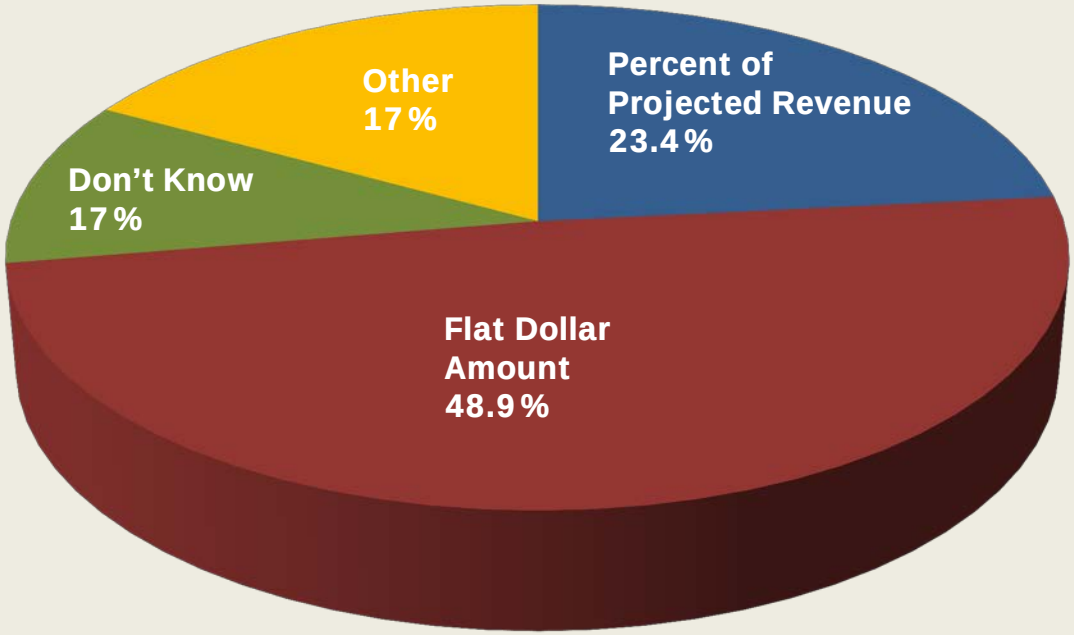
MARKETING

How are marketing responsibilities handled for your programs?



Largest change to date – increase in dedicated marketing staff (2012 was 31%)

How is your marketing budget determined?



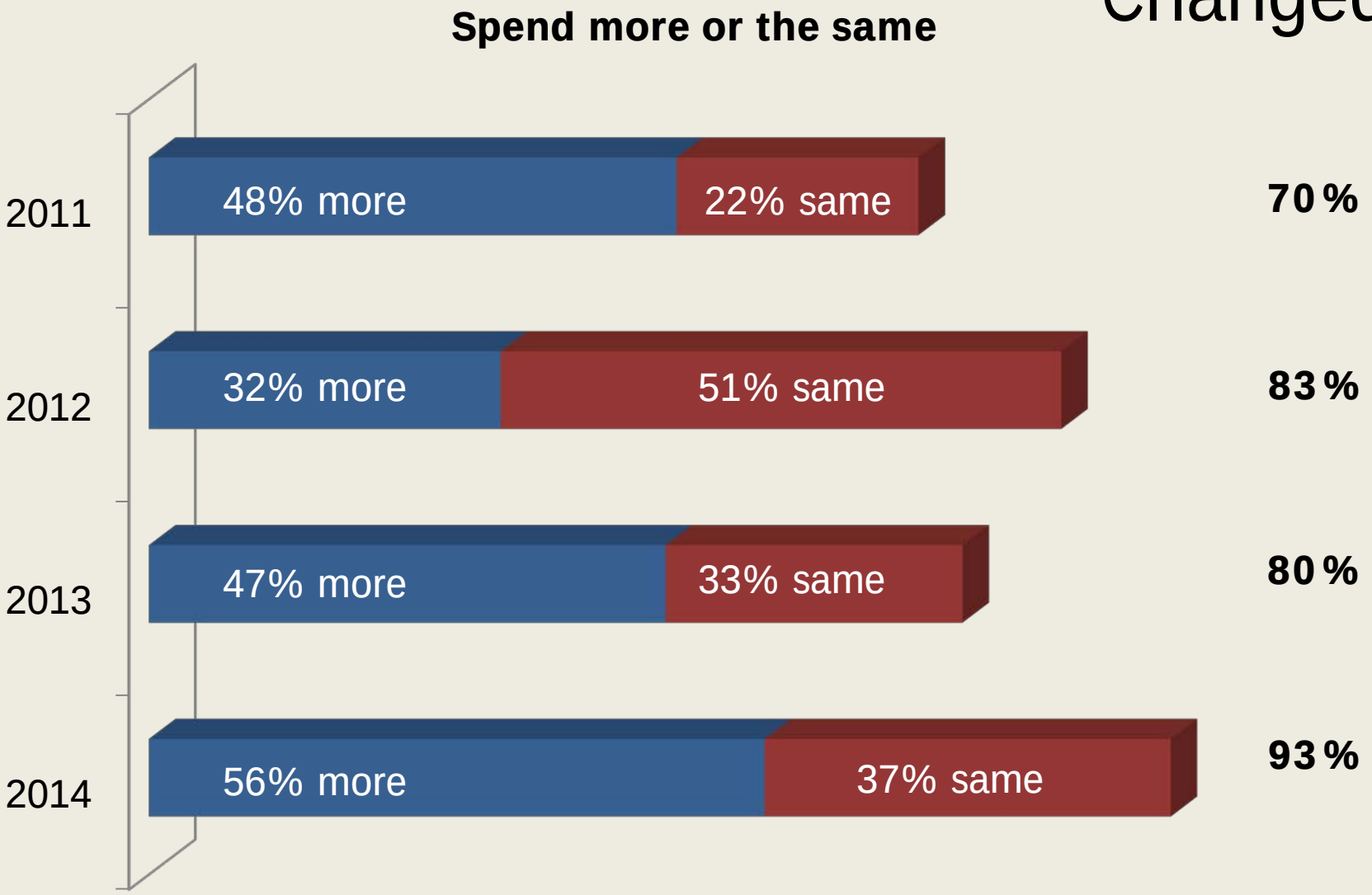
% Revenue

1-8% (8 out of 15)

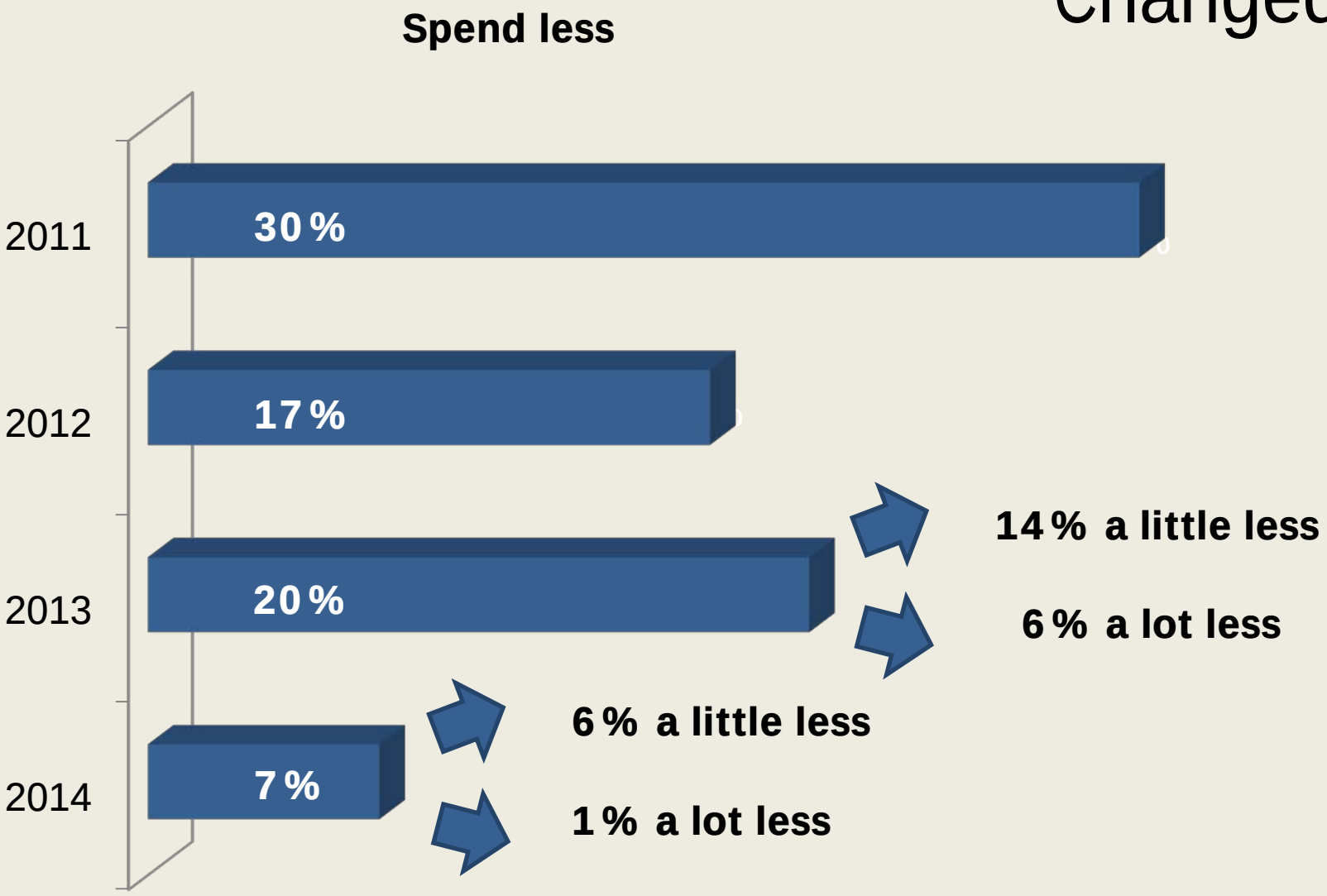
10 – 18% (7 out of 15)

No significant change
Vs. last year

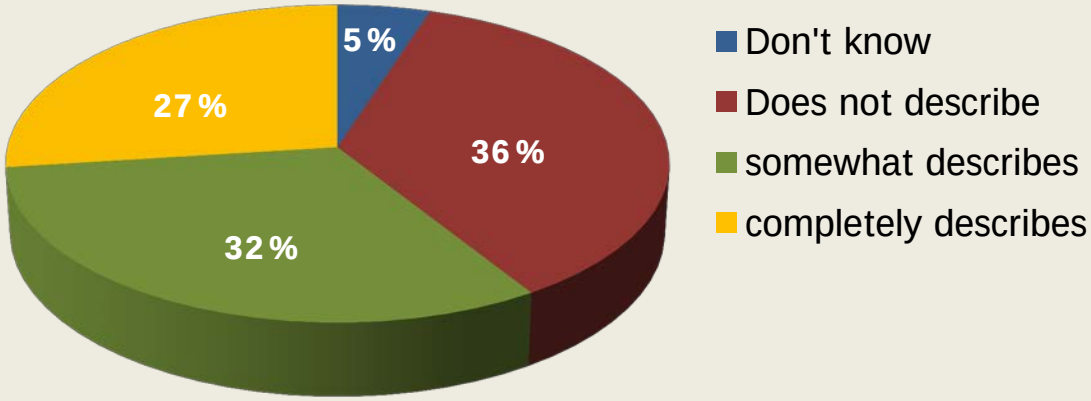
How has the Marketing Budget Changed?



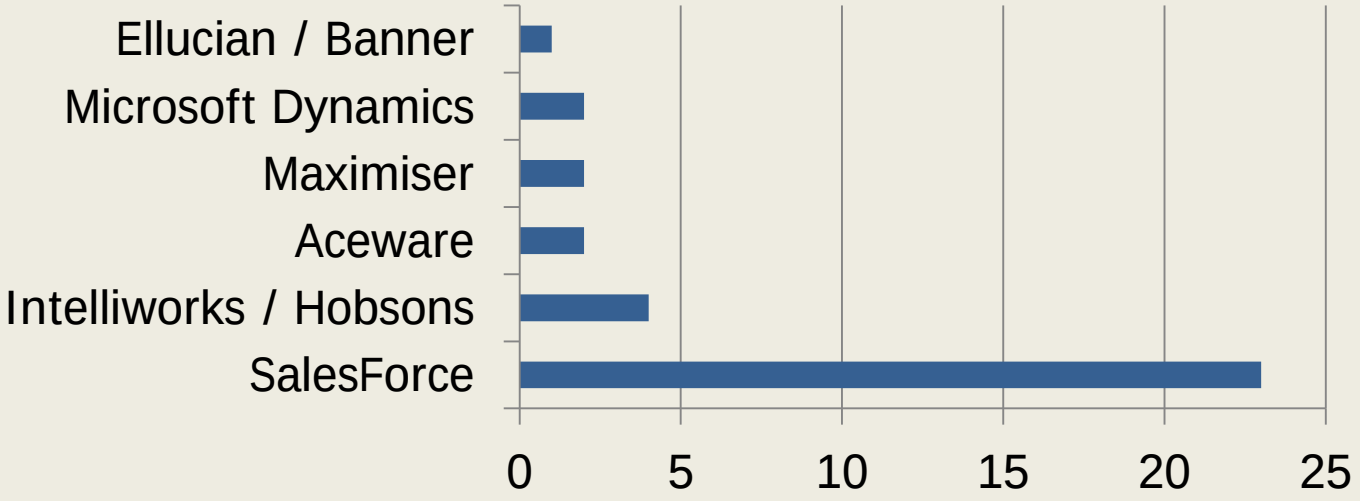
How has the Marketing Budget Changed?



Have and use a CRM System



59 % have CRM



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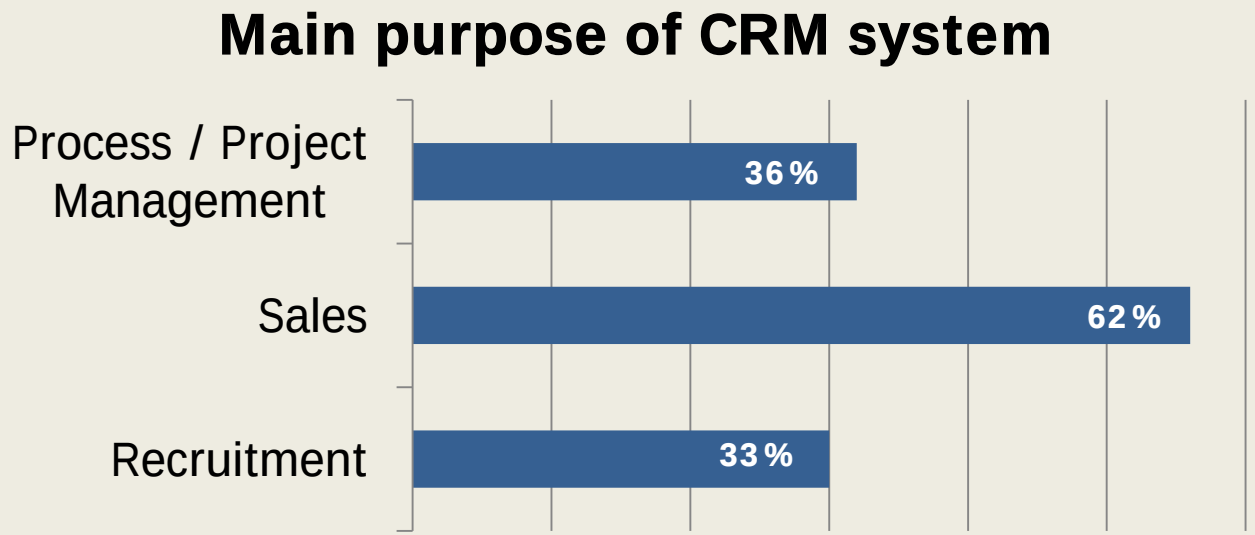
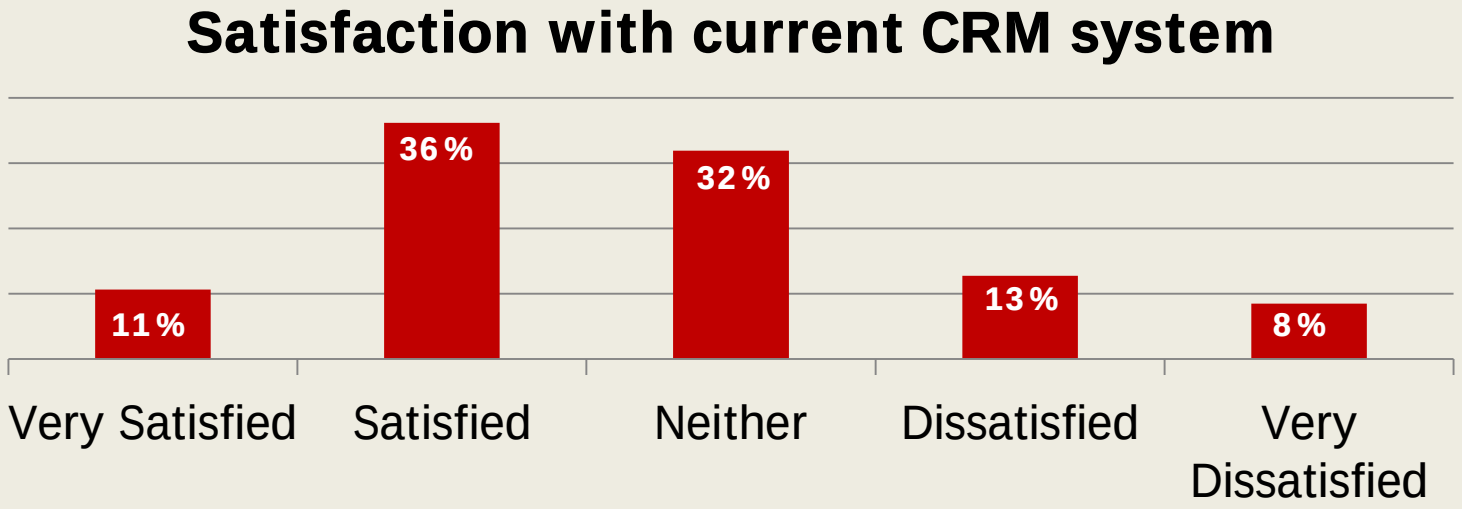




Marketing Mix: Tactics

Most important

- ❑ Website
- ❑ Corporate outreach
- ❑ SEO (optimization)
- ❑ SEM (search marketing)
- ❑ Google Adwords
- ❑ Targeted Online Ads
- ❑ Comments: E-mail marketing to existing pipeline: current or former students/clients as well as cultivation of inquiries.

Important (but not understood)

- ❑ Social media paid advertising
- ❑ Social media activity and content generation

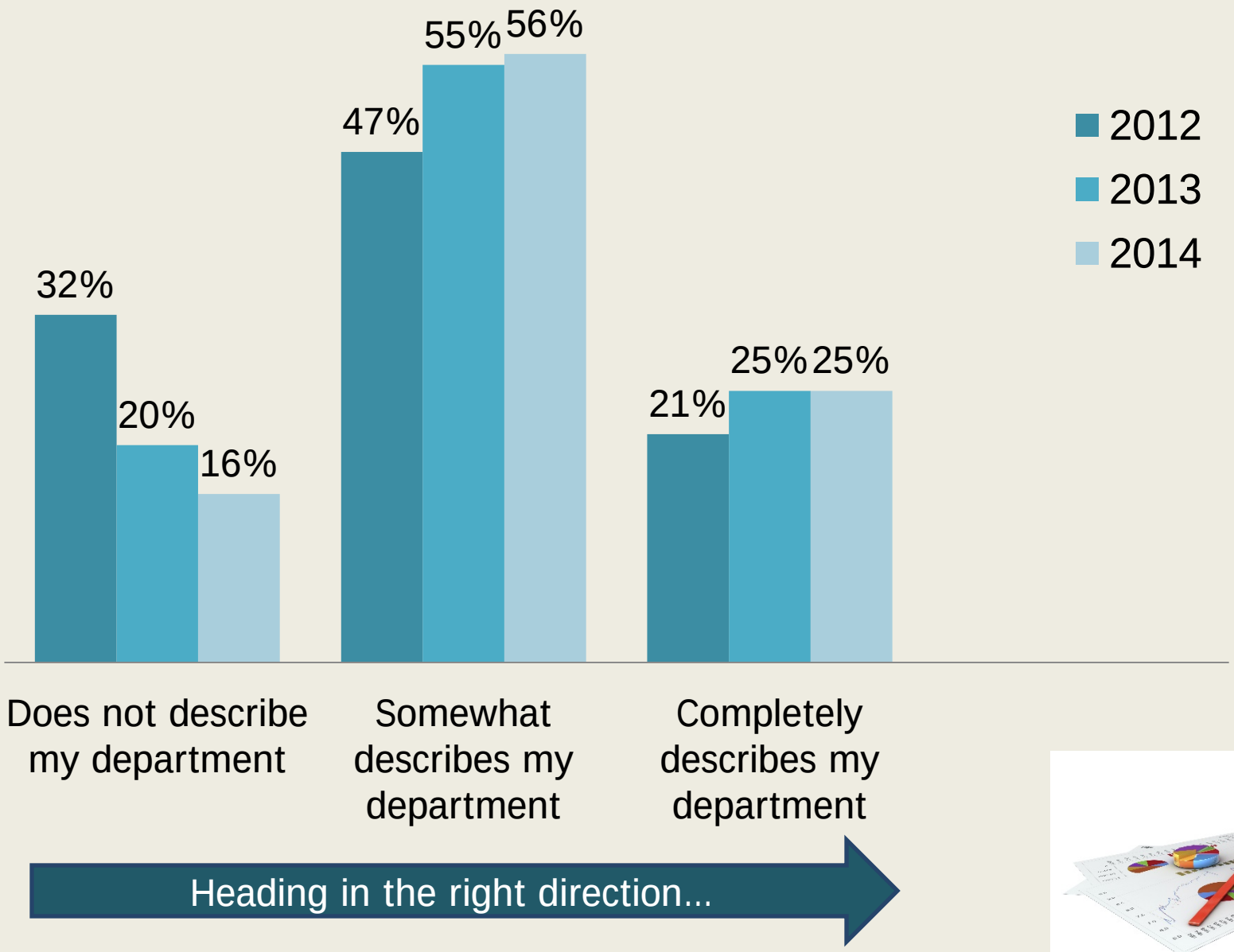
Least important

- ❑ Print ads
- ❑ Purchased lists for email
- ❑ Collateral
- ❑ Information sessions
- ❑ Presence at industry events

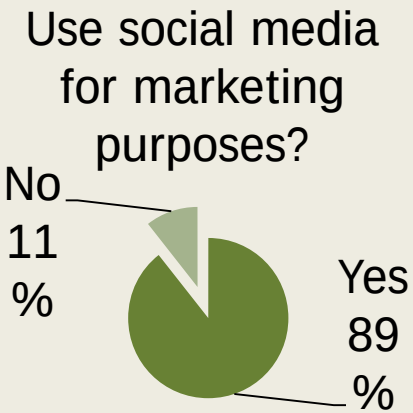
Marketing: Most Effective Vehicles and Offers

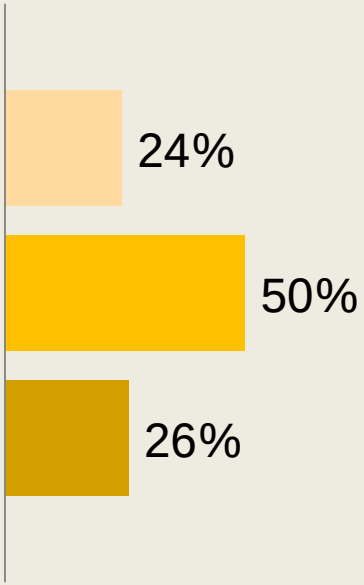
Vehicles	**Corporate Outreach**	Client Partnership • Collaborated with client sponsors to help sell program internally. • Niche programming, sole source, content critical to partner organization • Info sessions and presence at annual meetings of target groups
	Targeted Digital	LinkedIn Ads • Careful segmentation • Call to action to website and prospect cultivation efforts • Target audience - health care front line, managers, leaders and professionals
	Email	Network Push • Admin/marketing provided email content and PDF brochure • Faculty distributed to networks “earned and owned” • Generated leads and yielded registrations
	Nurture Existing	Newsletter • Polished email of new program highlights to alumni
Offers	**Events**	Annual Corporate University kick-off • Breakfast with featured speaker • Attracts 60-70 key client accounts • Results in several deals closed within weeks of event
	Discounts	Special Rates Based on Behavior/Action • Early bird, special offer following event, corporate sponsorship

Regularly analyze effectiveness of marketing efforts

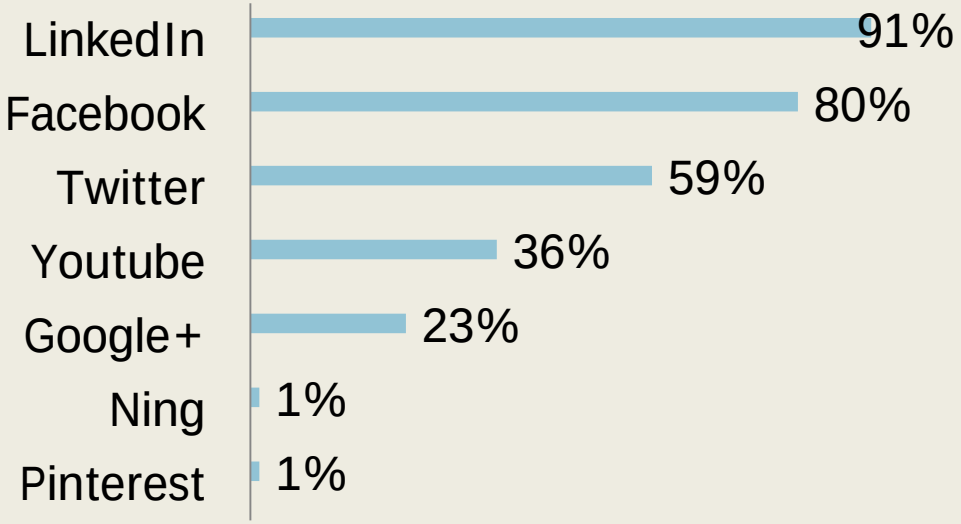


Social Media: What and How?





- Critical Part of Content Strategy Driving Prospect Interest
- New Initiative with Plans to Extend and Expand
- Basic Presence but No Firm Plans for Expansion



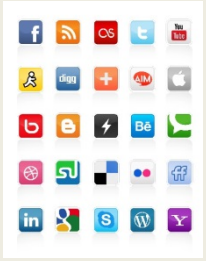
Measurement:

- Emergent (= not sophisticated!)
- Web Analytics (Google, landing pages, unique URLs)
- Social Media Metrics (from within platform)
- Anecdotes (feedback from prospects and staff)

Social Media: Lessons Learned

Implementing Lessons Learned for Effective Use of Social Media for Marketing

- Create a Strategy
  - Identify target audiences and platforms used by those targets
  - Know what you want to gain from social media efforts
    - Brand awareness v. engagement v. lead generation are very different
- Prepare to Implement
  - Build a publication calendar
  - Allocate appropriate resources (financial and staffing time)
  - Consider how to set and measure goals and impact
- Manage
  - Continuous crafting and posting of relevant content
  - Be adaptable and ready to change direction and approach

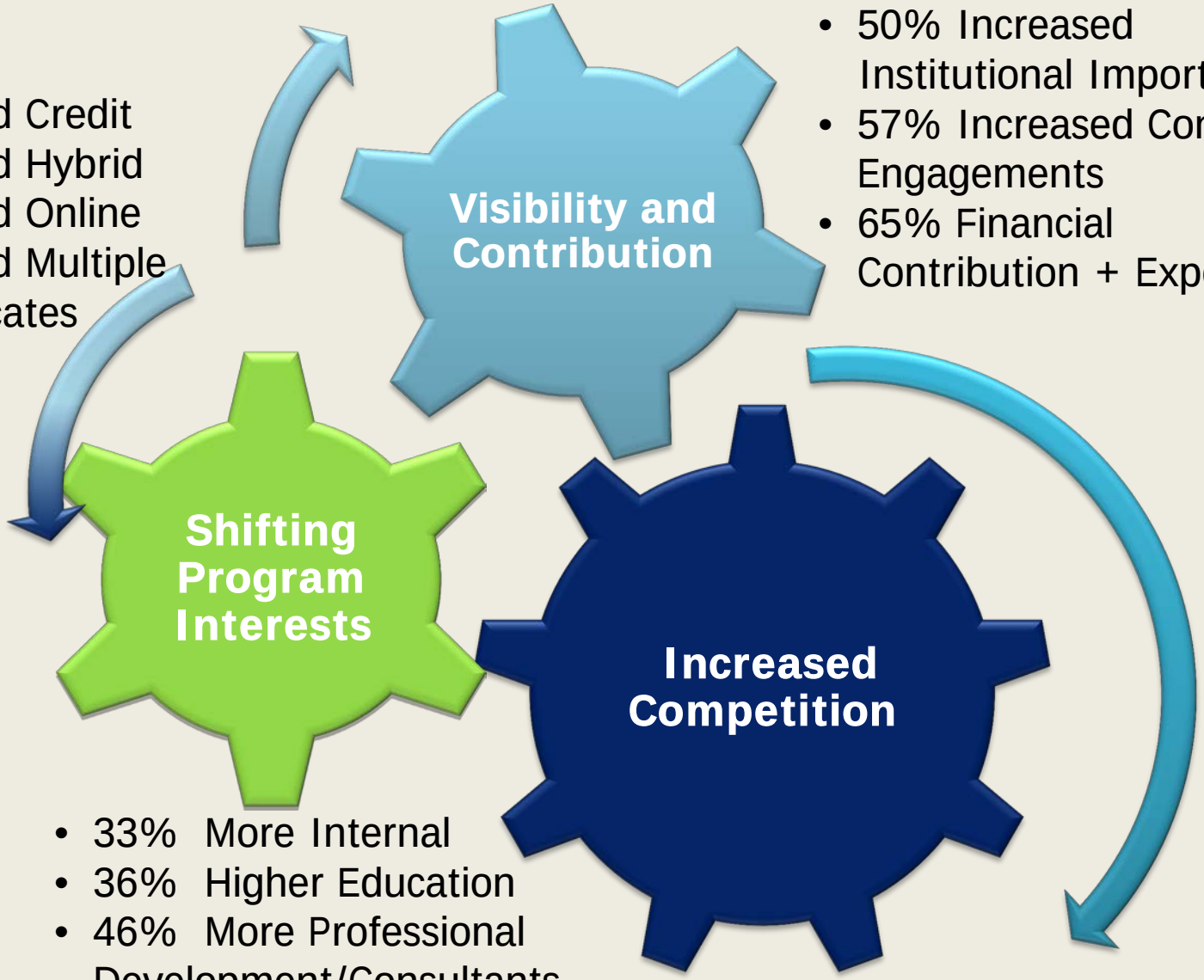


Kris

PROGRAM/INSTRUCTION

The Strategic Landscape

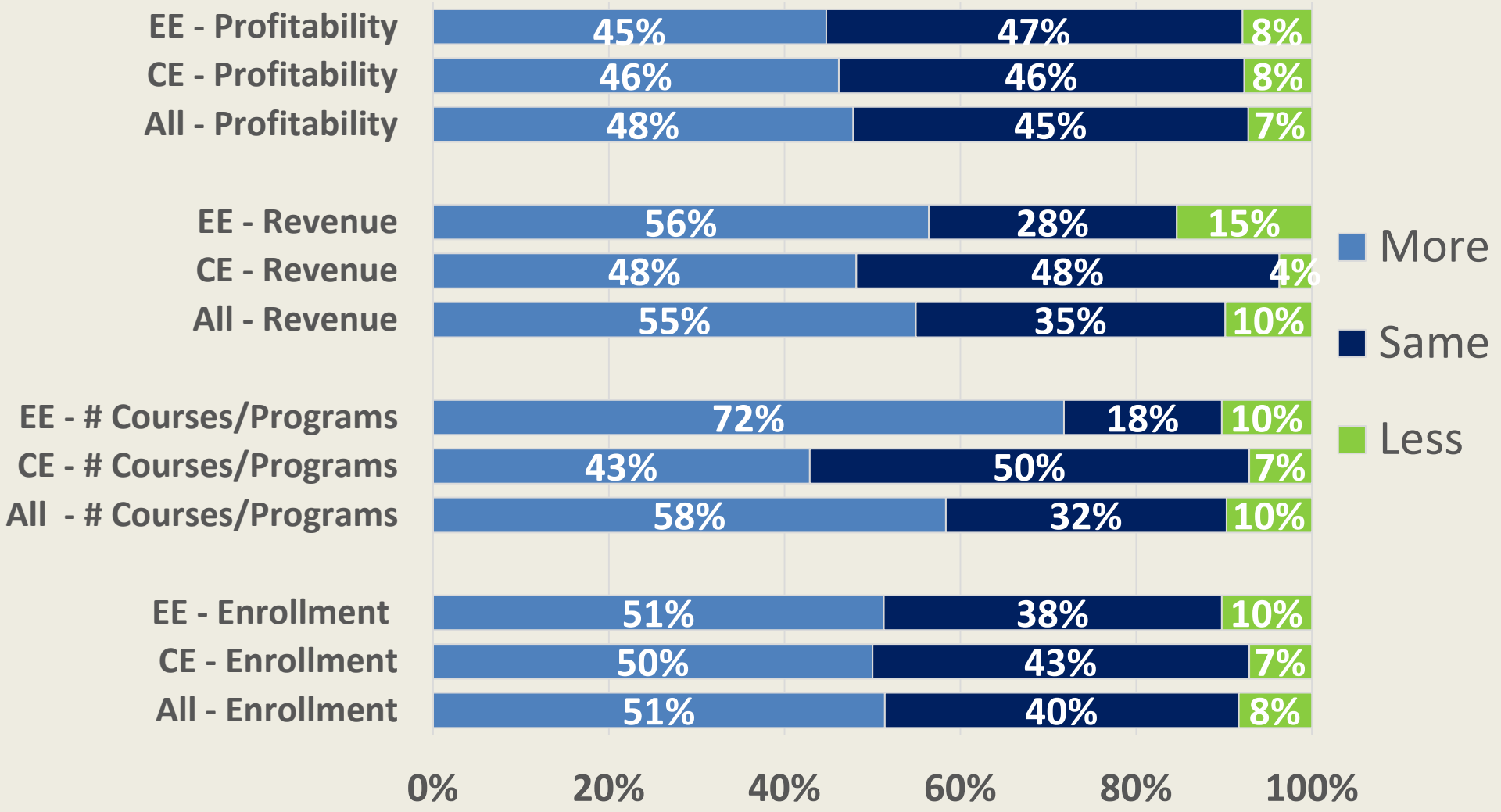
- 27% Increased Credit
- 50% Increased Hybrid
- 40% Increased Online
- 54% Increased Multiple Course/Certificates



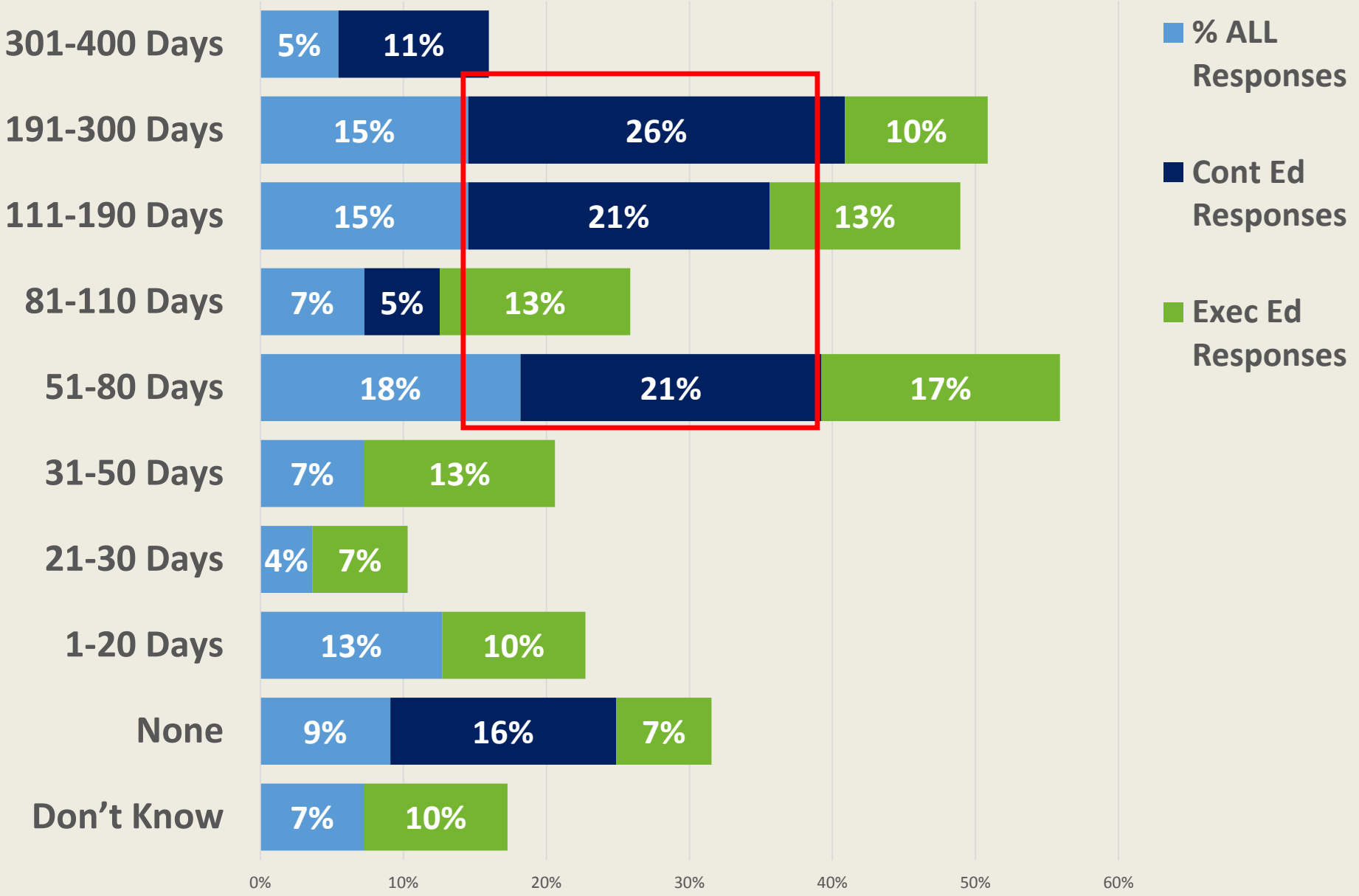
- 50% Increased Institutional Importance
- 57% Increased Contract Engagements
- 65% Financial Contribution + Expenses

- 33% More Internal
- 36% Higher Education
- 46% More Professional Development/Consultants

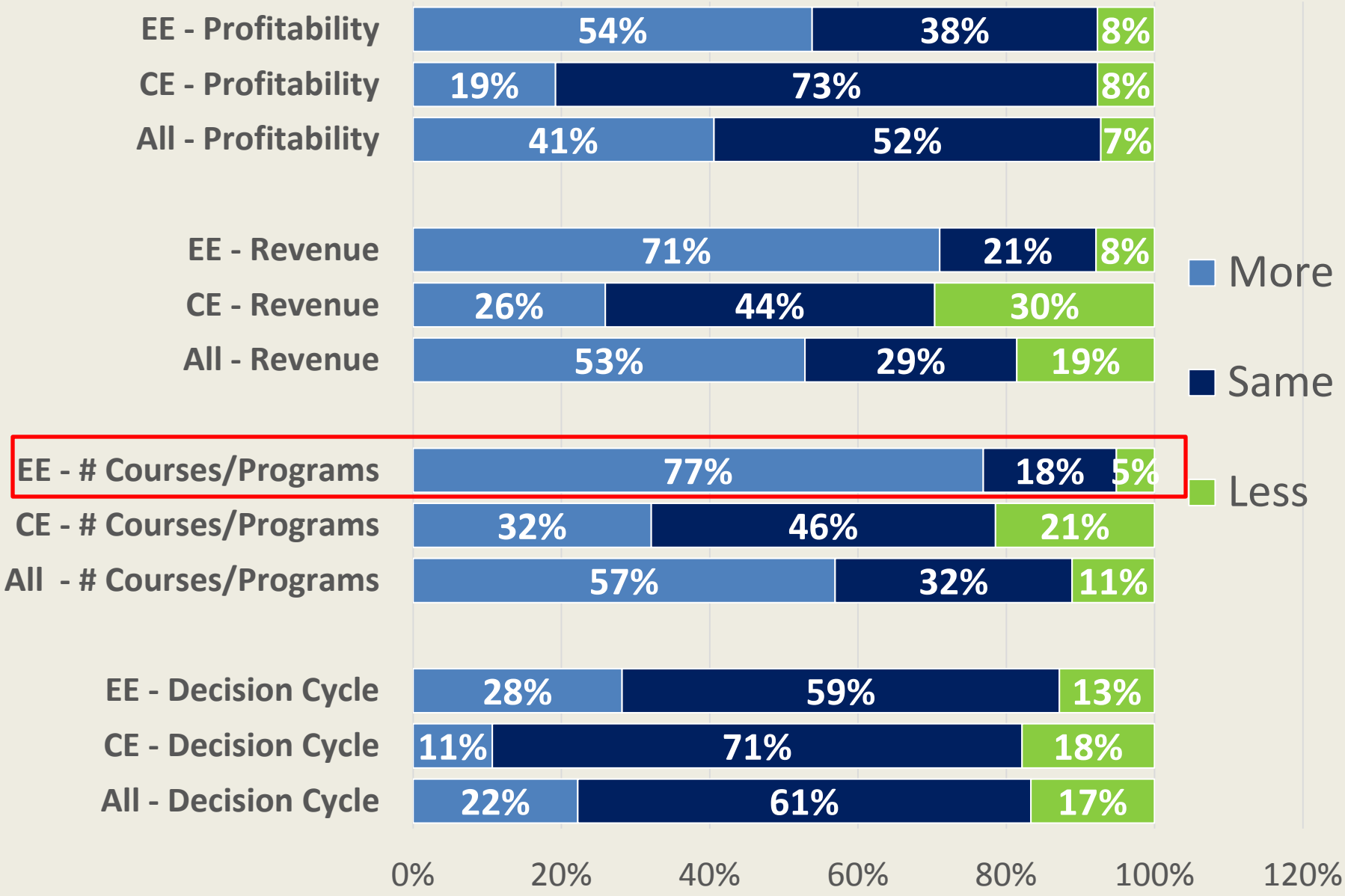
More Open Enrollment Across the Board



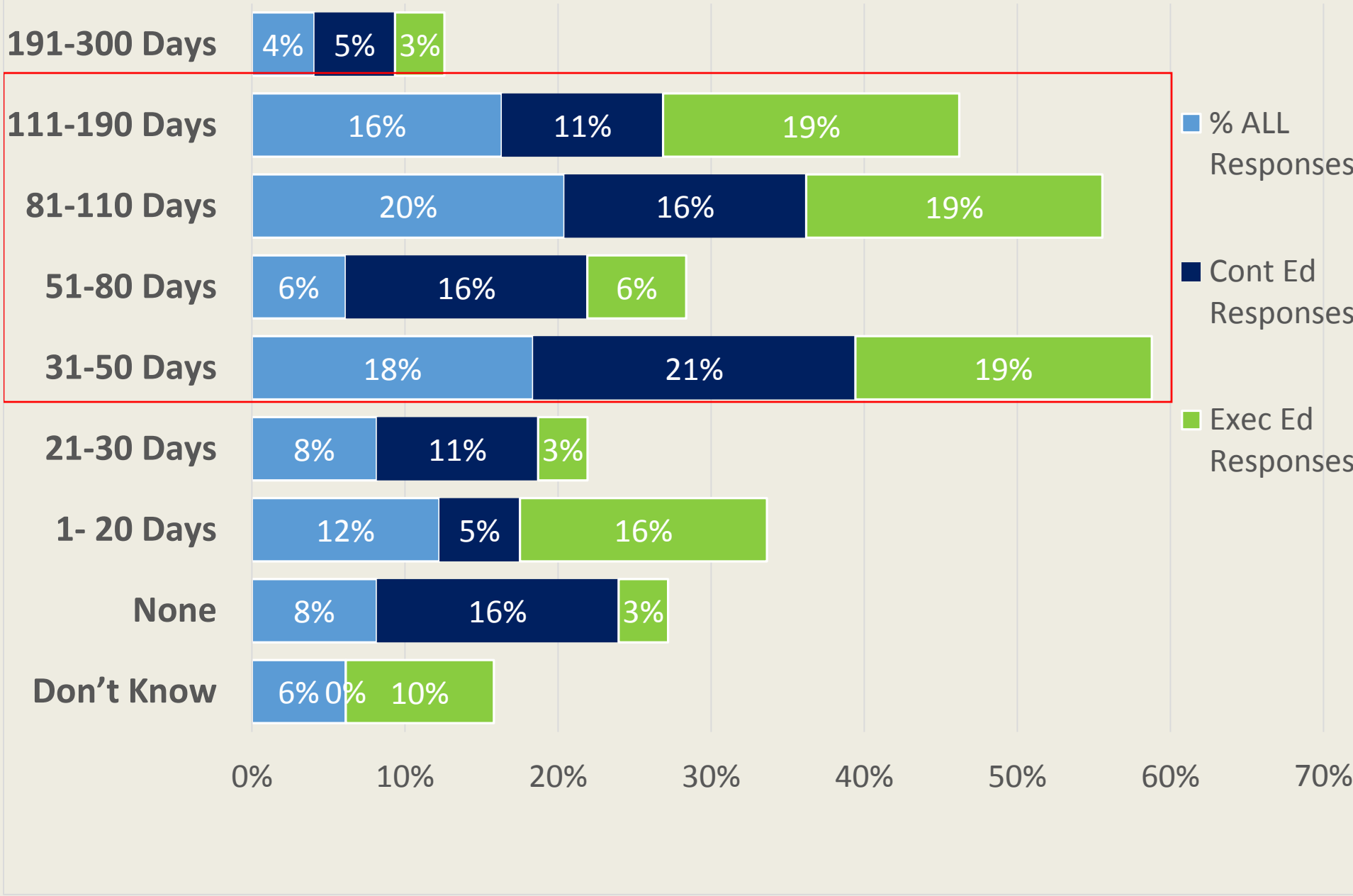
Number Open Enrollment Days per Year



Exec Ed. does more Custom/Contract Programs

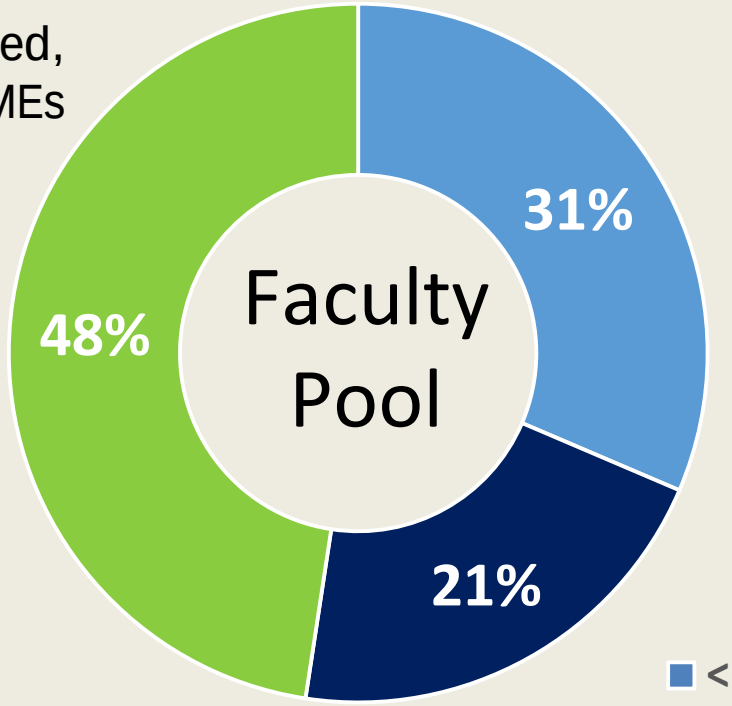


Number of Custom Days per Year

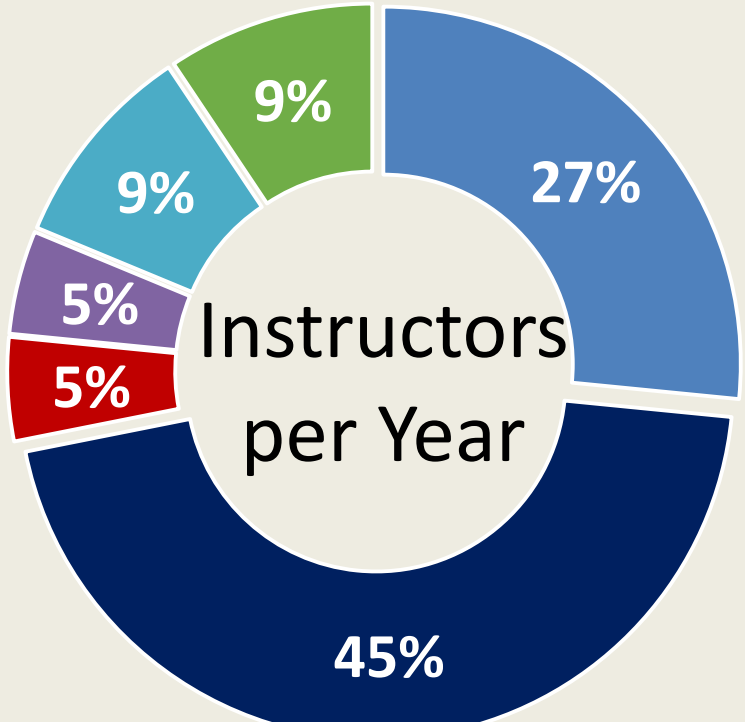


About the Faculty Bench…

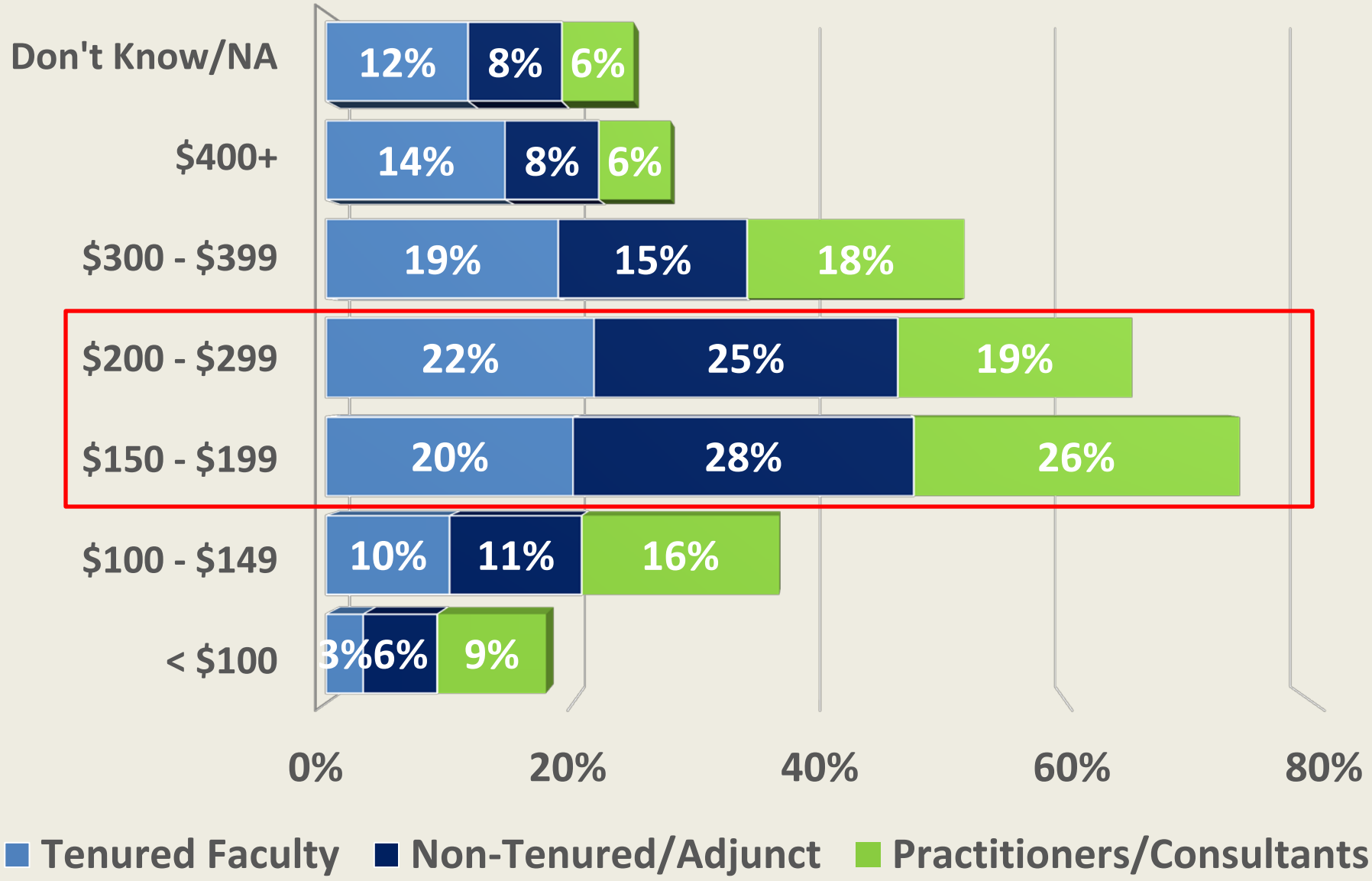
69% are Non-Tenured, Adjunct or SMEs



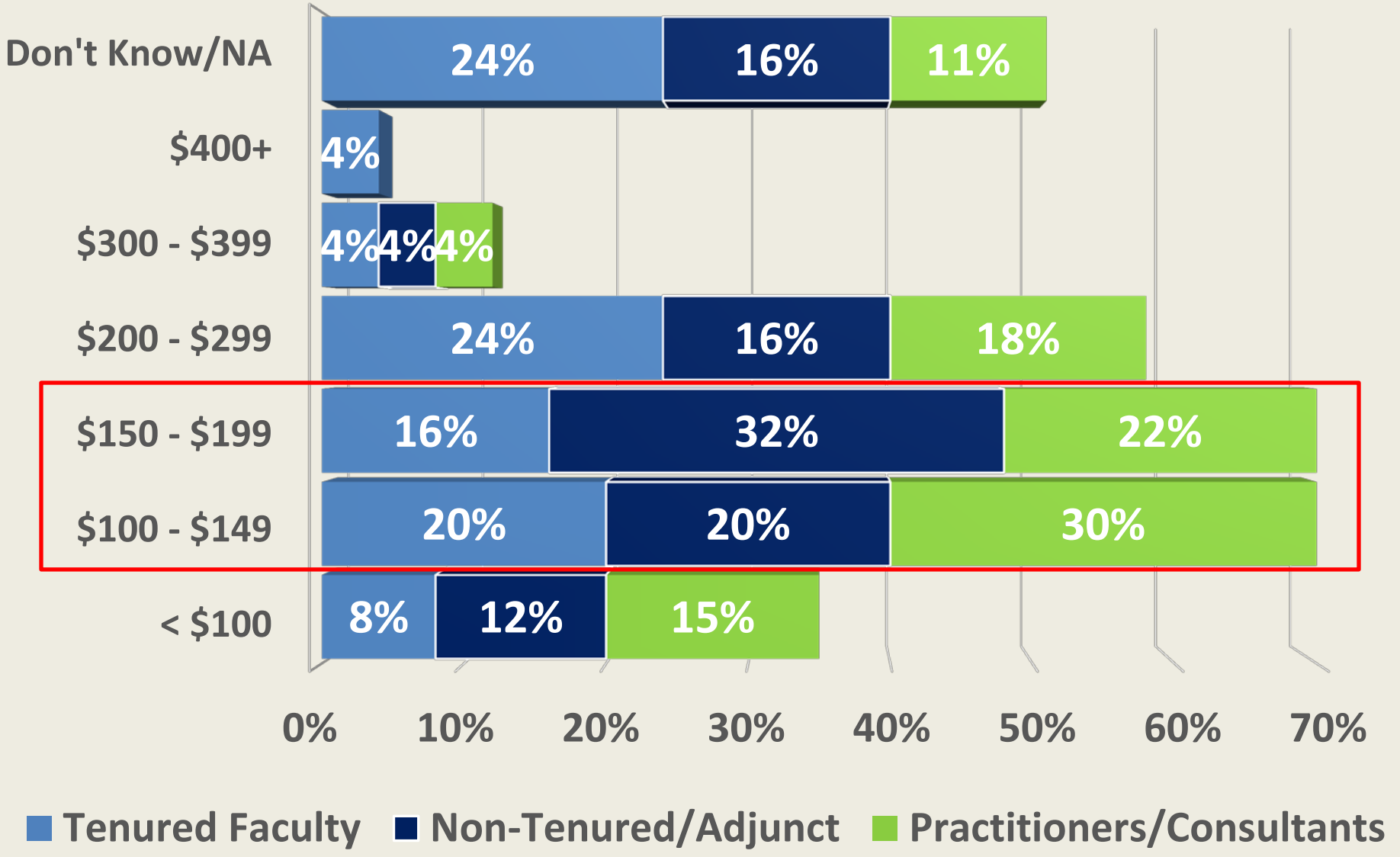
72% anticipate employing 40 or less instructors this FY



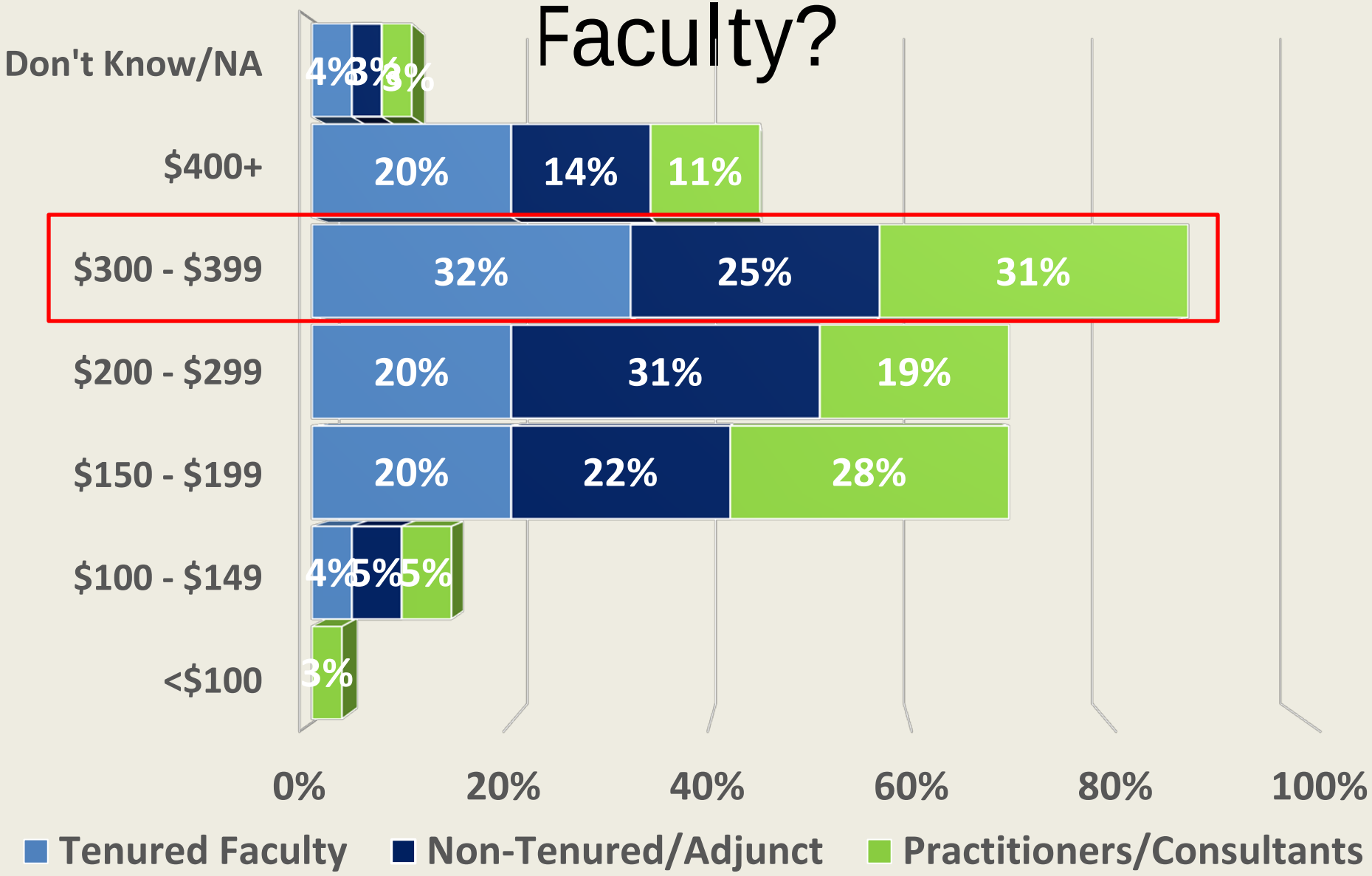
How much do we Pay Faculty?



What does Continuing Education Pay Faculty?



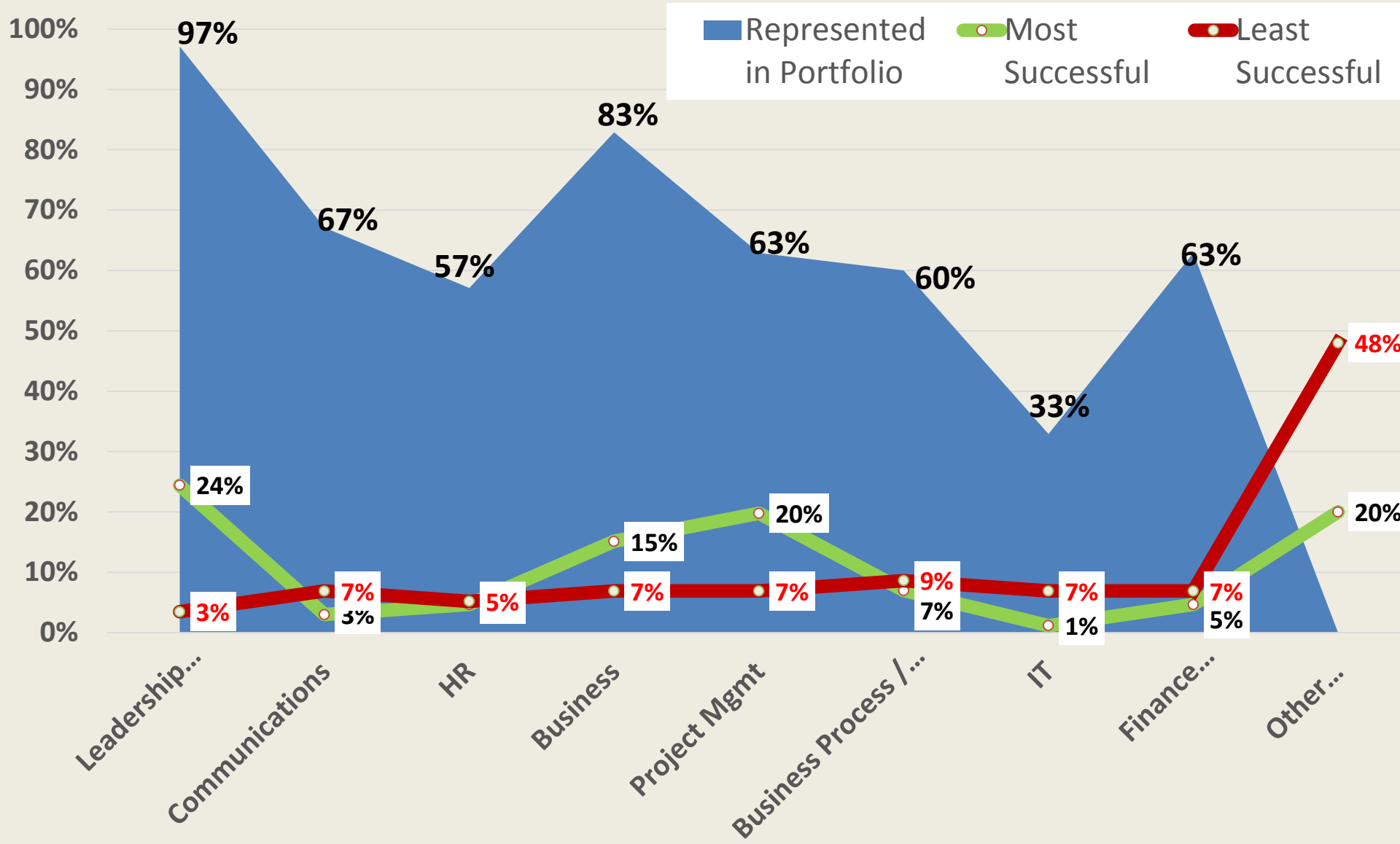
What does Executive Education Pay Faculty?



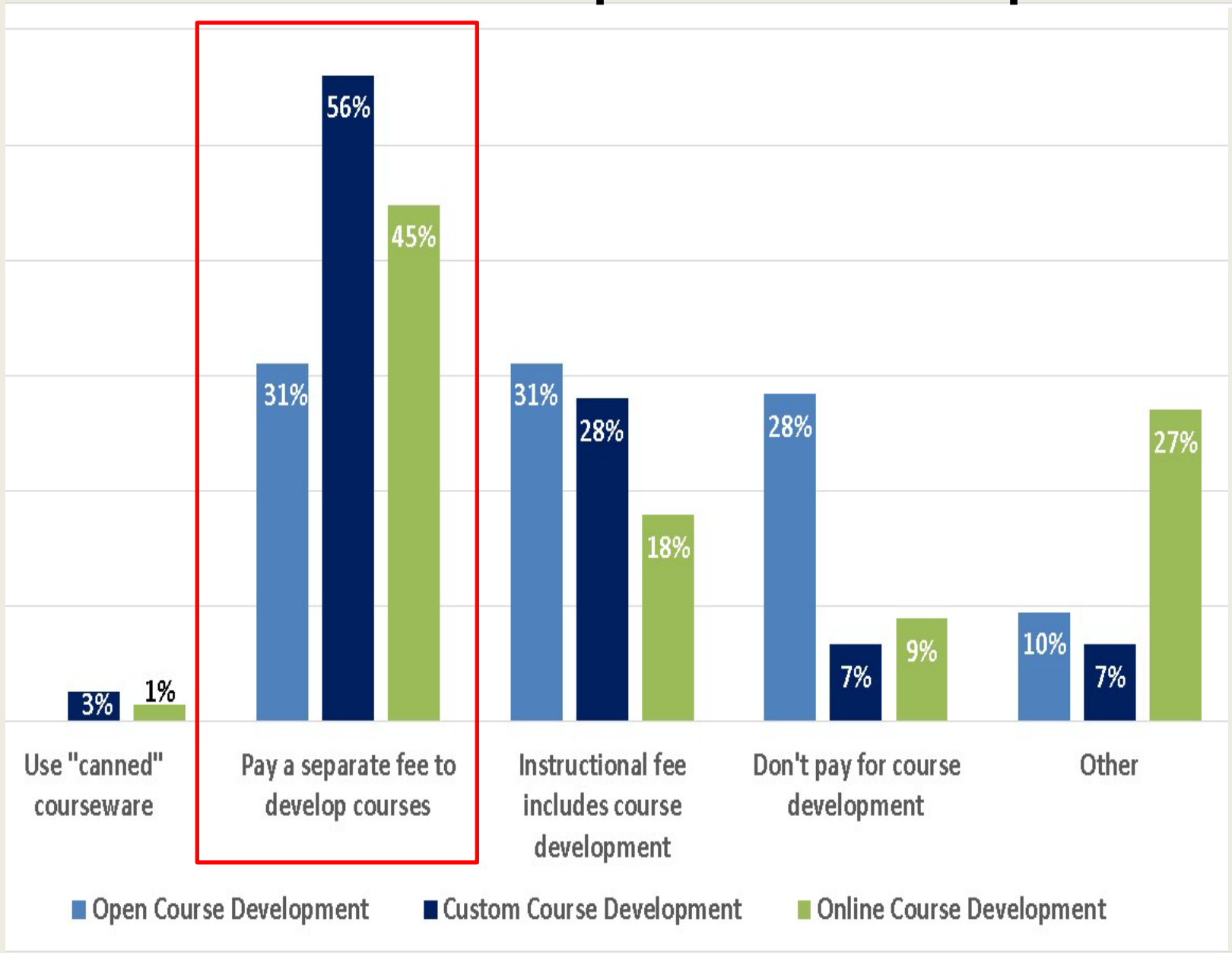
What is in your Program Portfolio?

Non Credit Programs Offered	Response Rate
Leadership and Management	97%
Business	83%
Communications	67%
Project Management	63%
Finance and Accounting	63%
Business Process / Analysis	60%
Human Resources	57%
Information Technology	33%

Do you have the right Program Mix?



Course Development Compensation



OTHER:

Open Courses = Depends on format

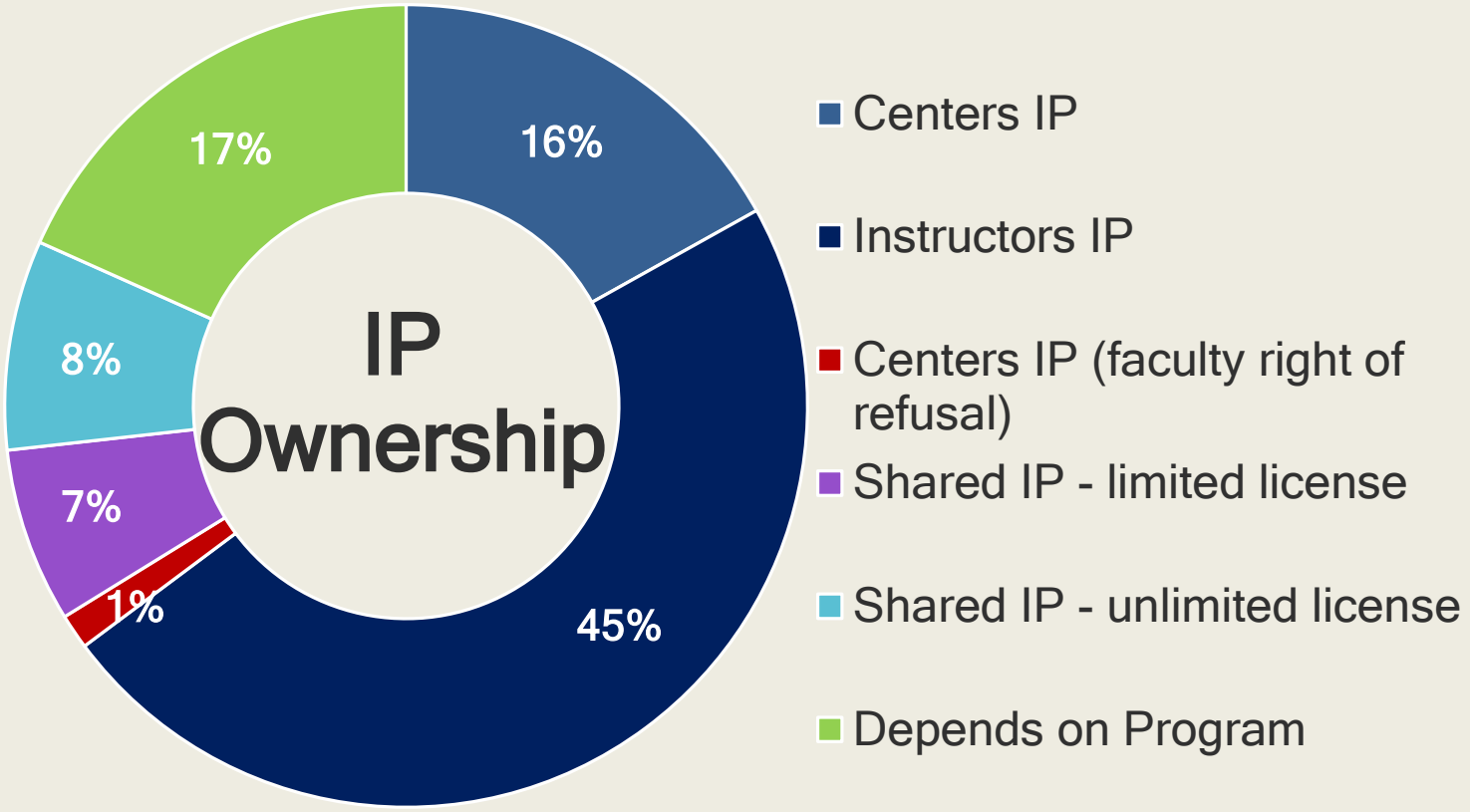
Custom Courses = Depends on customization level, relationship, and client meetings

Online Courses = Don't offer online courses

How much do you pay for Course Development?

Course Development Ranges		
Open		
Daily Rate	$1,500	$2,000
Hourly Rate	$15	$150
Flat Fee per Course	$350	$3,500
Custom		
Daily Rate	$750	$2,400
Hourly Rate	$50	$300
Flat Fee per Course	$350	$3,500
Online		
Daily Rate	$750	$2,000
Hourly Rate	$75	$500
Flat Fee per Course	$1,000	$3,500

Who Owns the Intellectual Property?

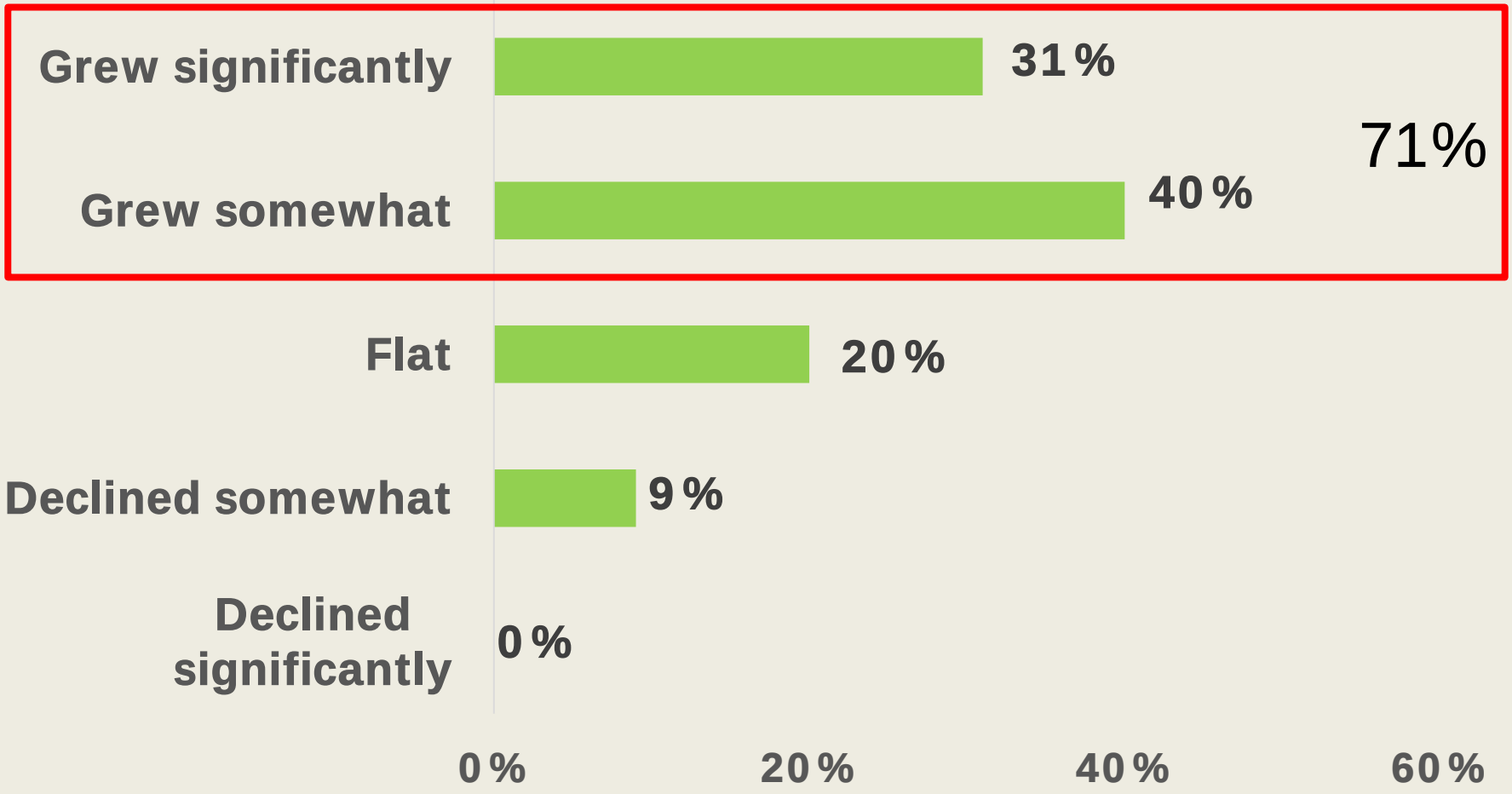


45% responded INSTRUCTORS owned IP

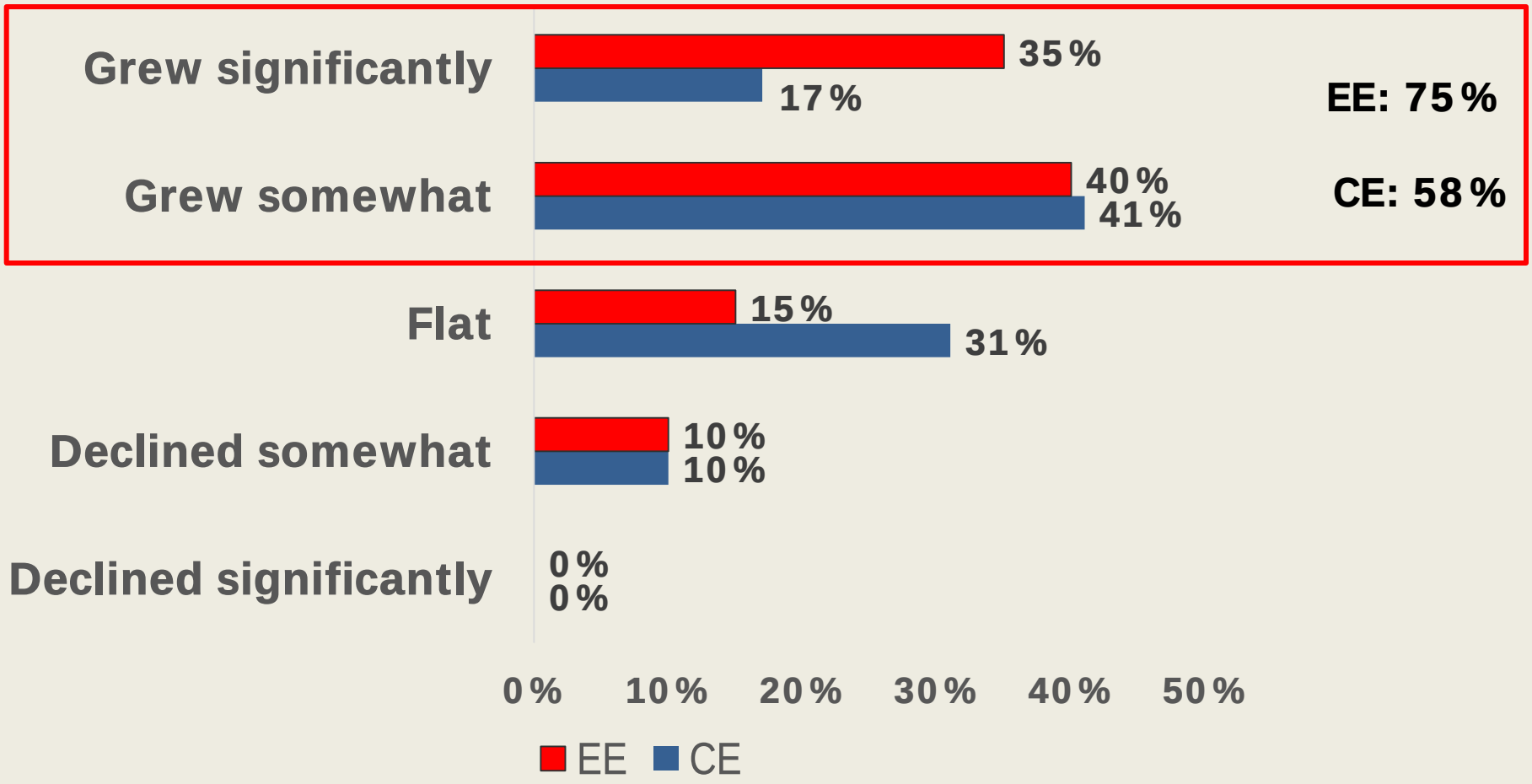
Martina

REVENUE

Business Performance in Most Recent FY



Business Performance in Most Recent FY (CE vs EE)



Contributing Factors to Business Performance

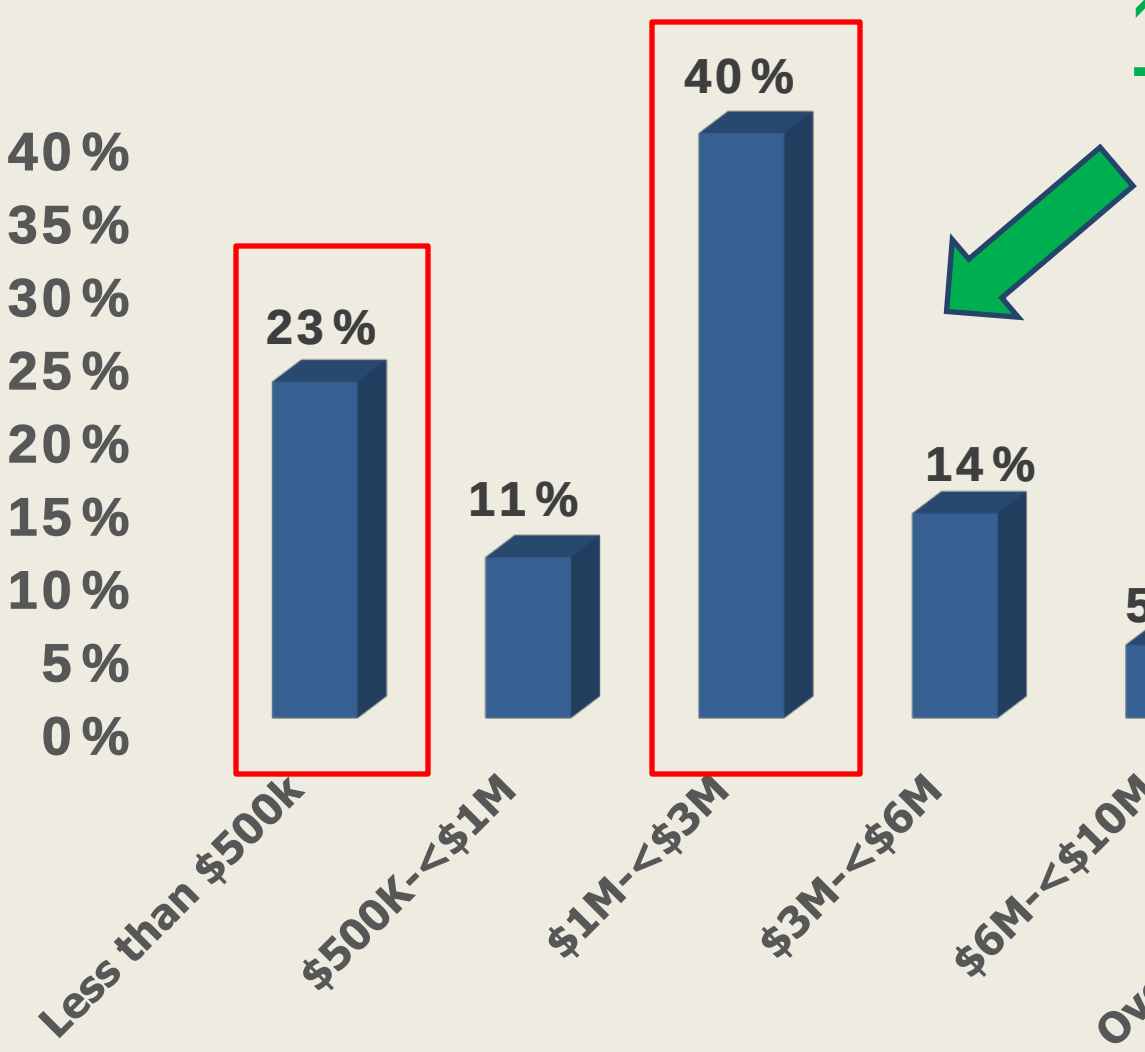
Growing (71%)

- Added sales staff
- Better marketing expertise
- Focused marketing and communication efforts paid off
- New leadership/reorganization
- New course offerings
- Efficient operations
- Strong continuing relationships
- Strong program quality
- Economy improving

Flat or somewhat Declining (29%)

- Economy slow recovery
- Cyclical nature of business
- Increase in competition
- Lack in sales expertise
- End of large contracts
- Unstable political climate
- Govt or military contracts impacted by sequestration

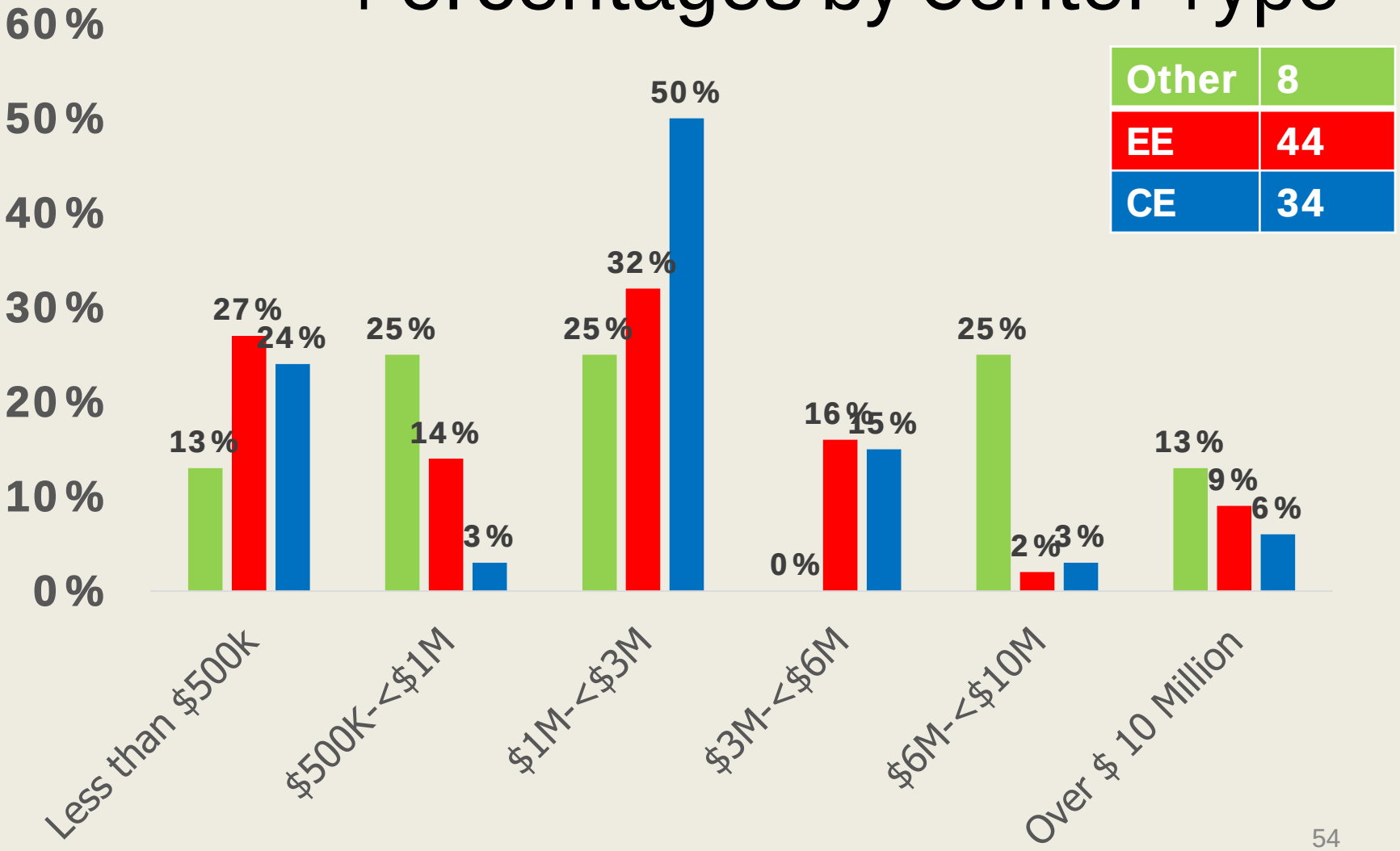
Most survey respondents between 1-3 Million



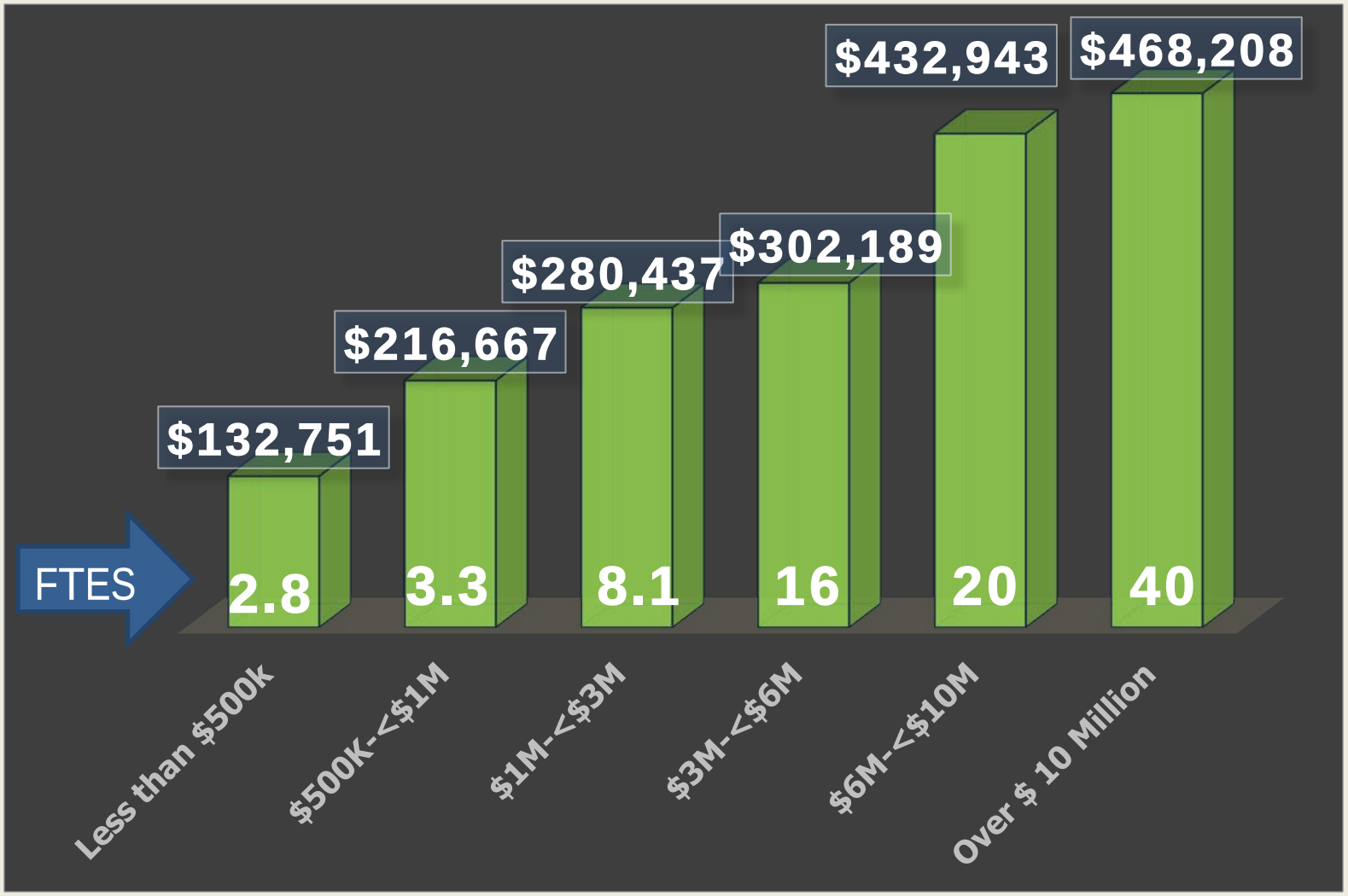
Average	$	3,560,200
Mode	$	300,000
Minimum	$	100,000
Maximum	$	65,000,000
Std. Dev	$	8,059,200

Comparison with previous years

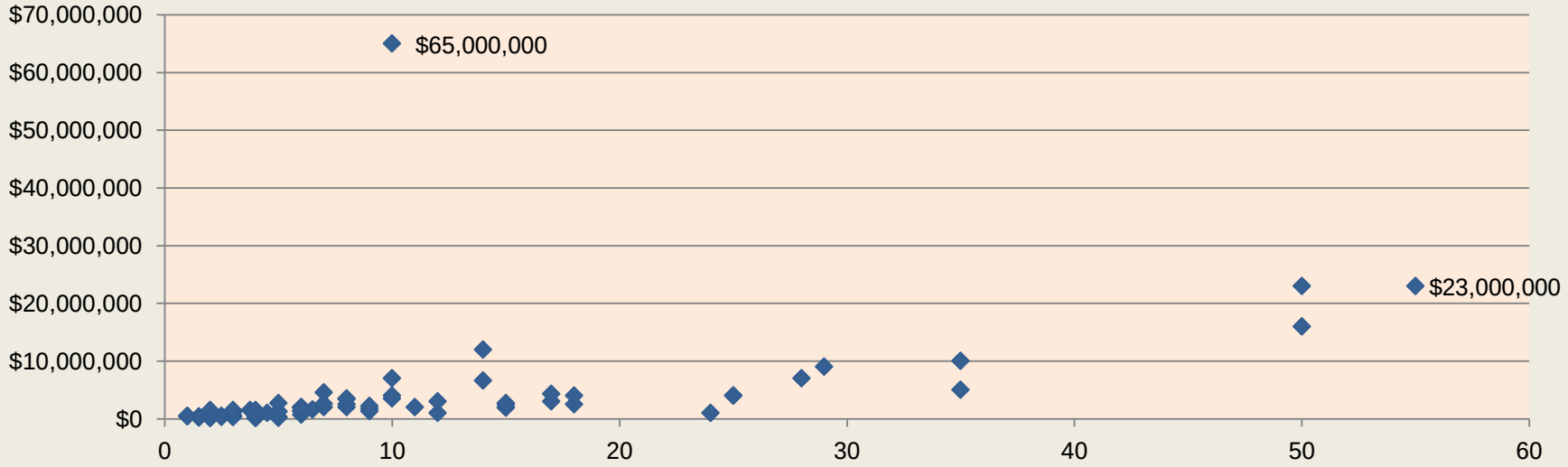
Distribution of Total Gross Revenue in Most Recent FY Percentages by Center Type



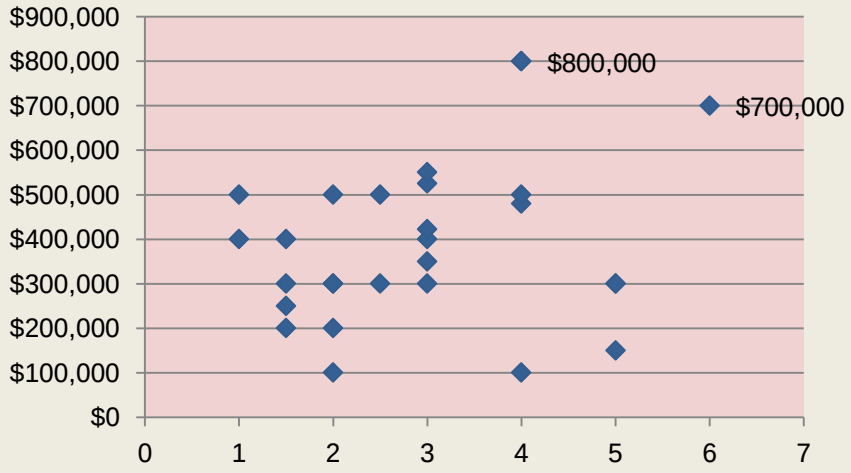
Gross Revenue per FTEs 2014



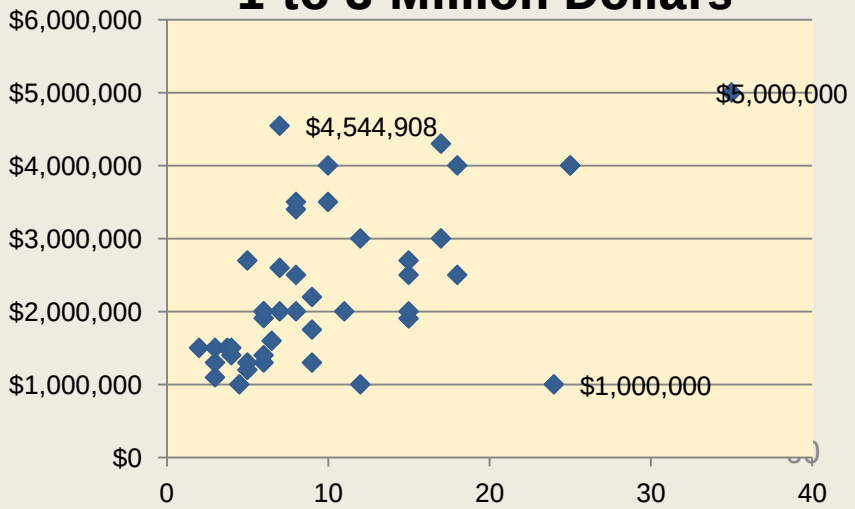
Number of Full Time Equivalents (FTEs)



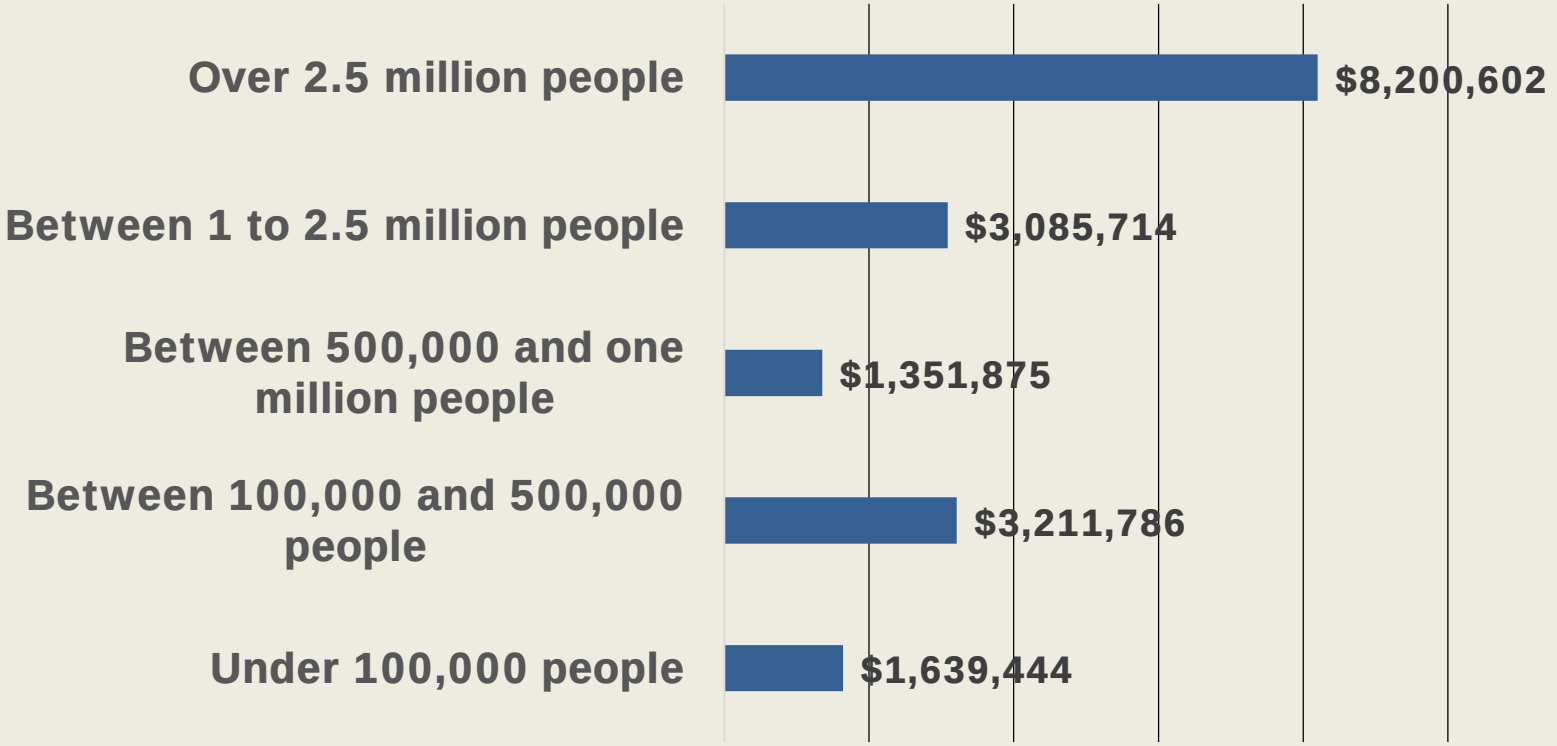
Under 1 Million Dollars



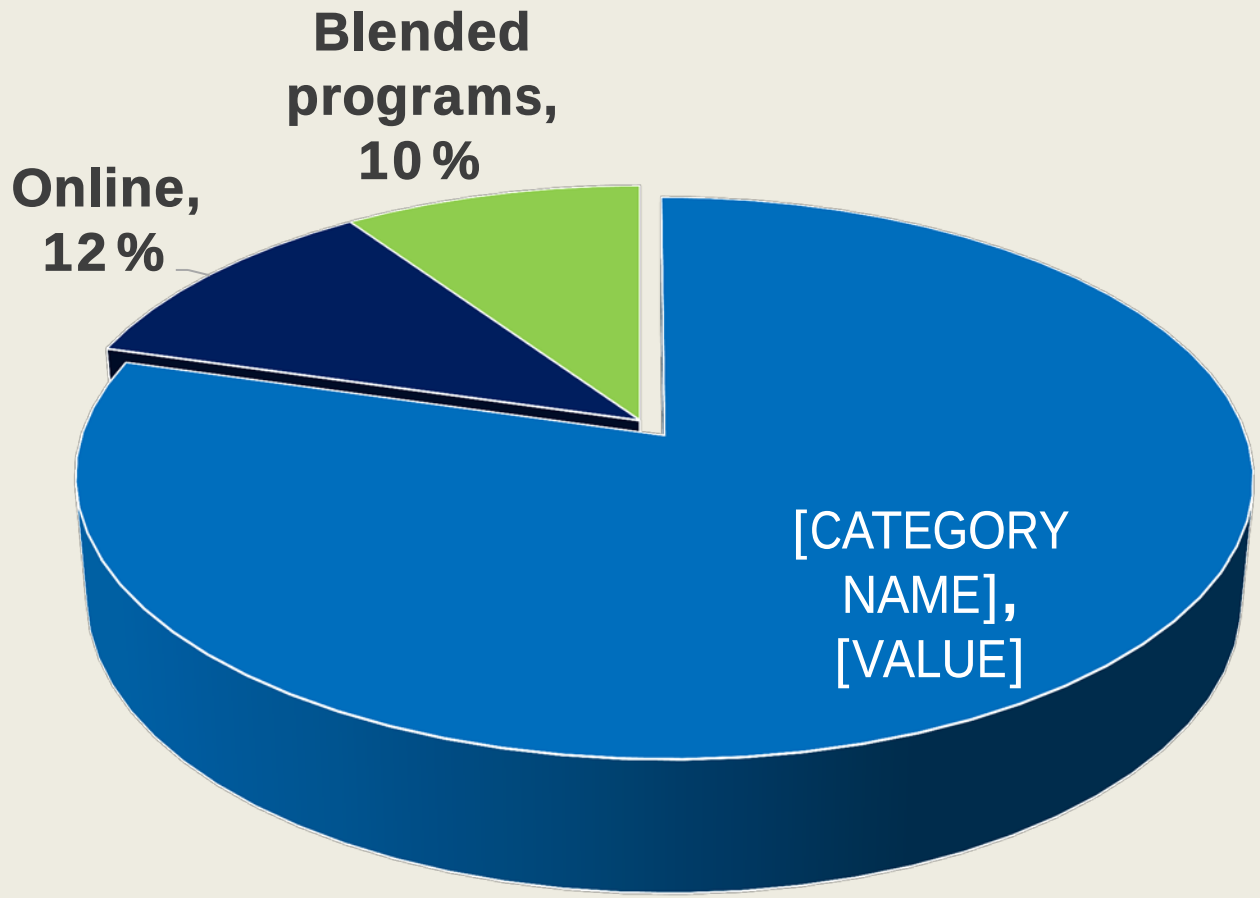
1 to 3 Million Dollars



Gross Revenue per Size of Metropolitan Area

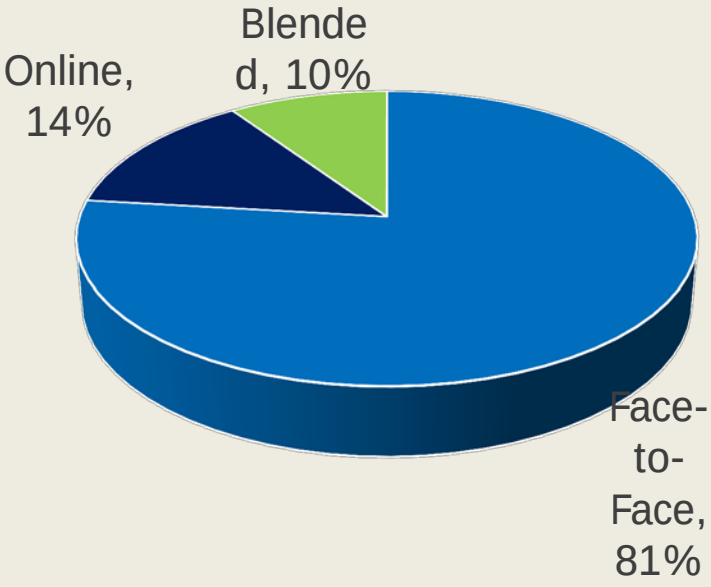


Percentage of Gross Revenue from Face-to-Face, Online or Blended Programs

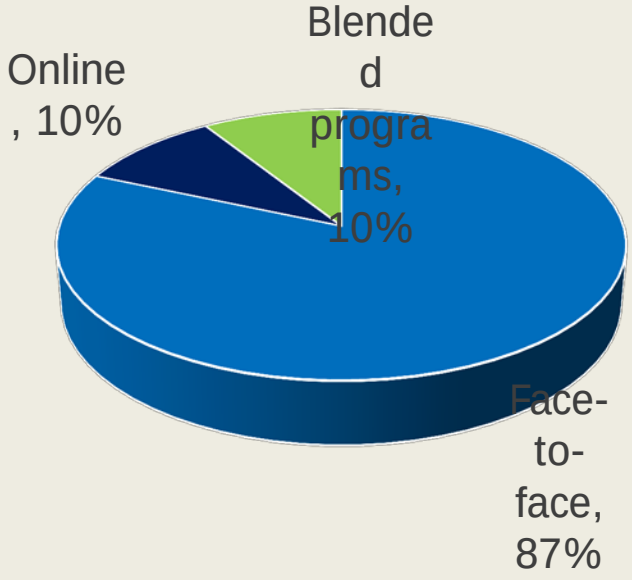


Percentage of Gross Revenue
from Face-to-Face, Online or Blended Programs

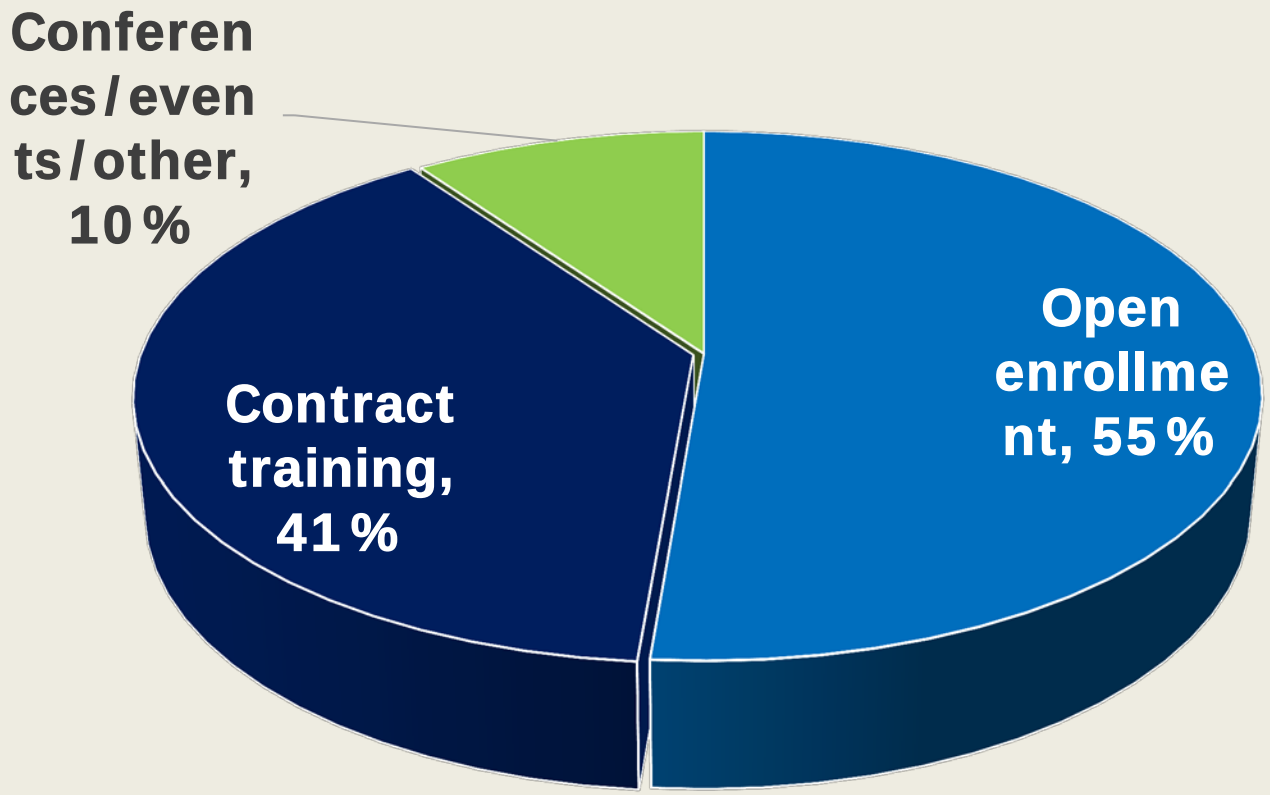
Continuing Education



Executive Education

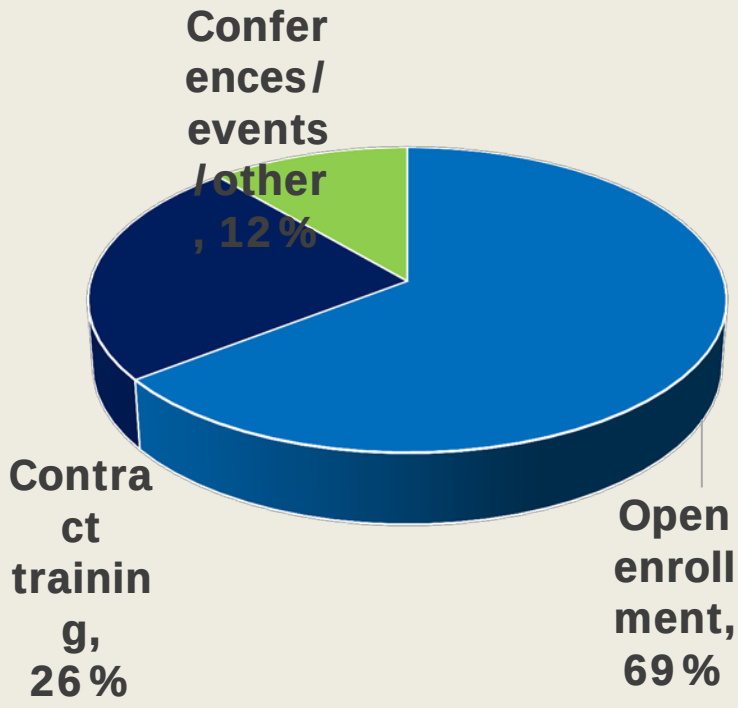


Percentage of Gross Revenue
from Open Enrollment, Contract or Conferences

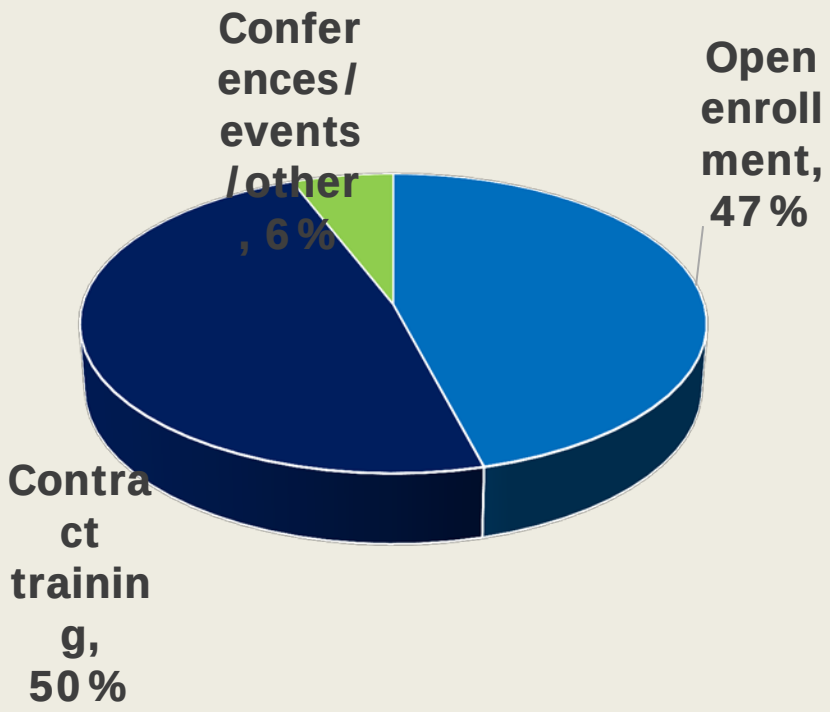


Percentage of Gross Revenue
from Open Enrollment, Contract or Conferences

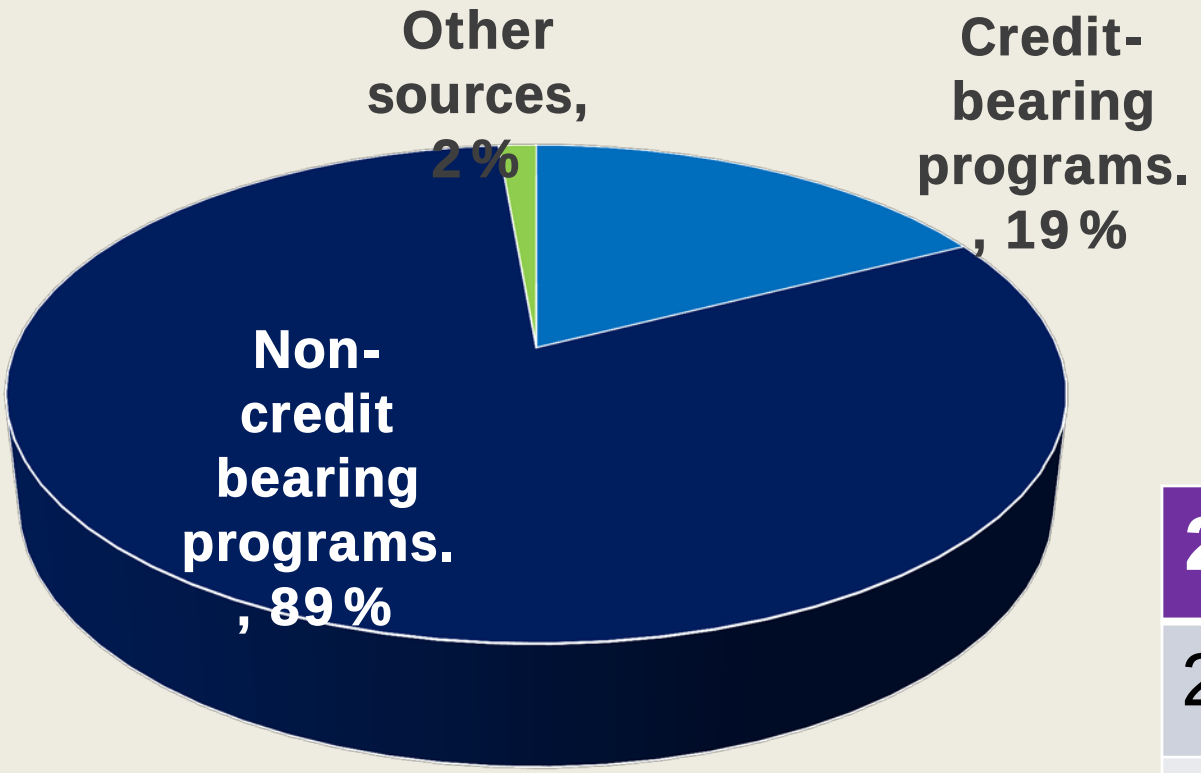
Continuing Education



Executive Education



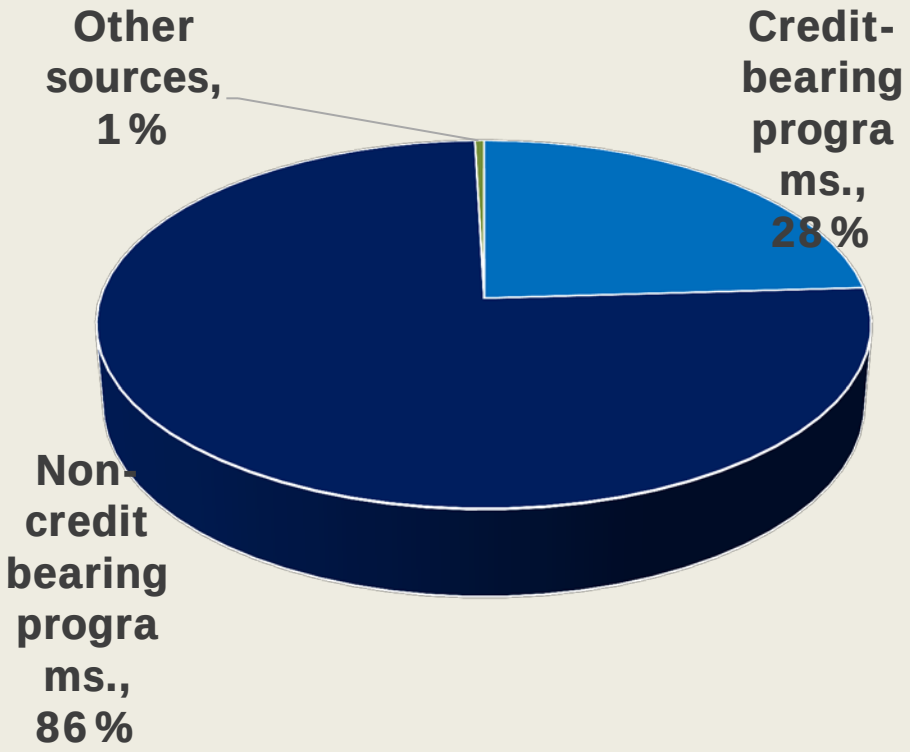
Percentage of Gross Revenue from Credit vs. Non Credit-Bearing Programs



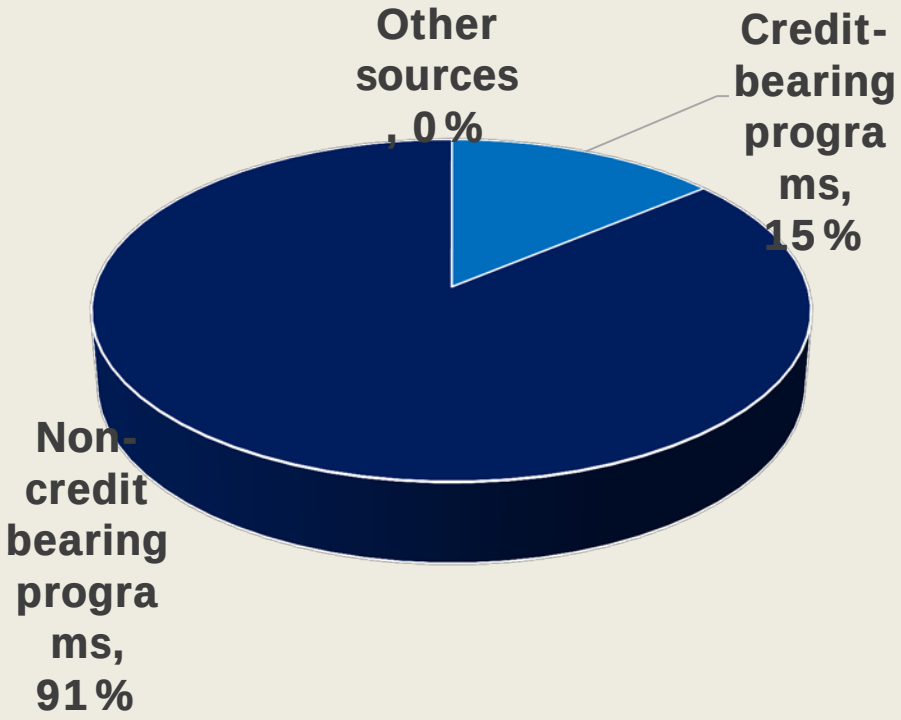
2014	19/84
2013	33/74
2012	20/80

Percentage of Gross Revenue
from Credit vs Non Credit-Bearing Programs

Continuing Education

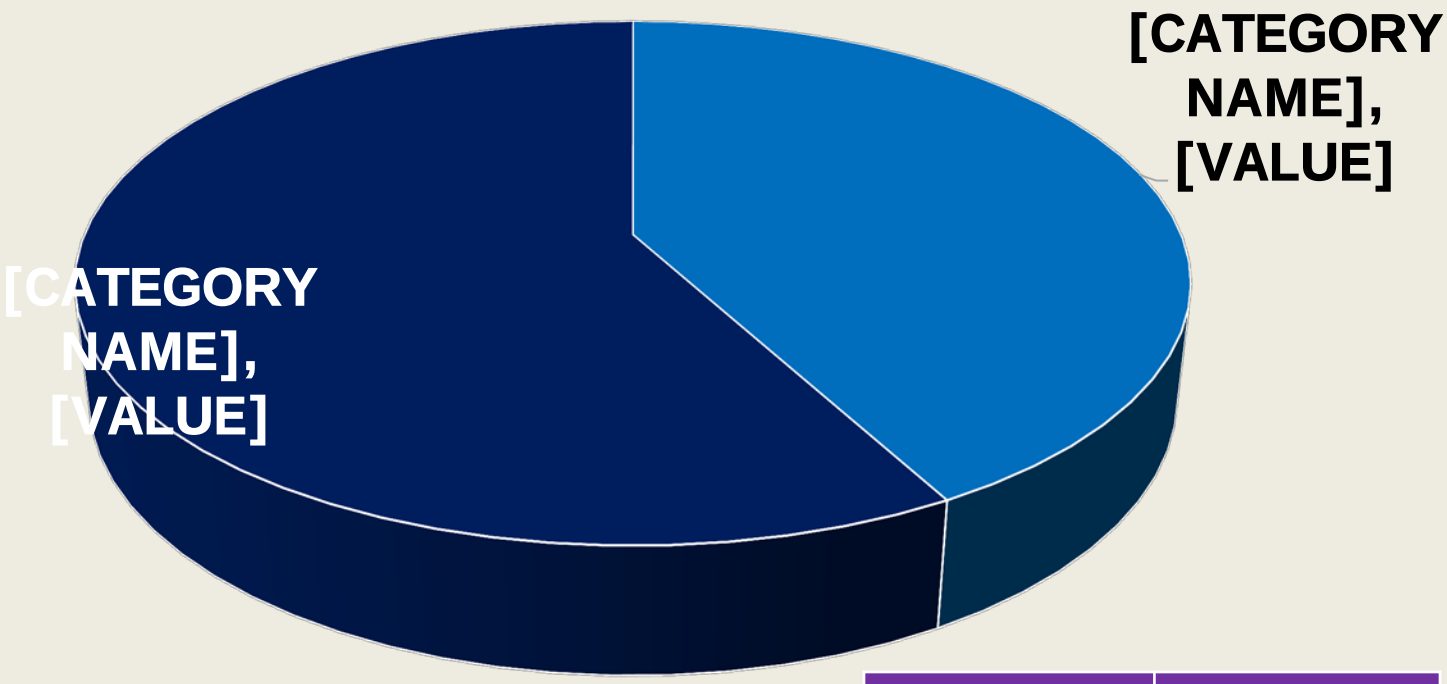


Executive Education



Percentage of Gross Revenue

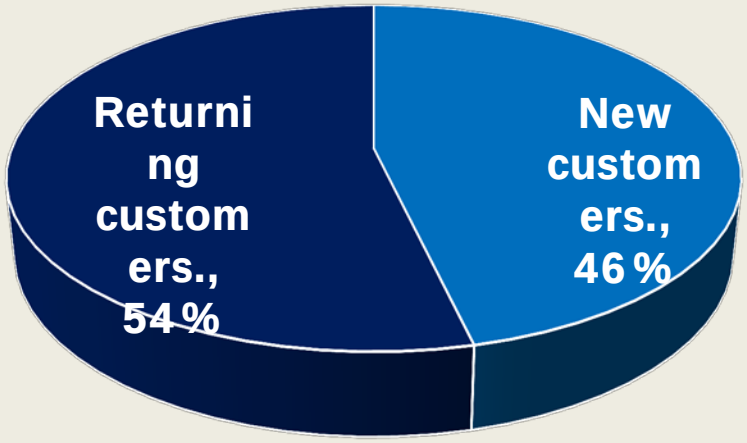
from New and Existing Customers



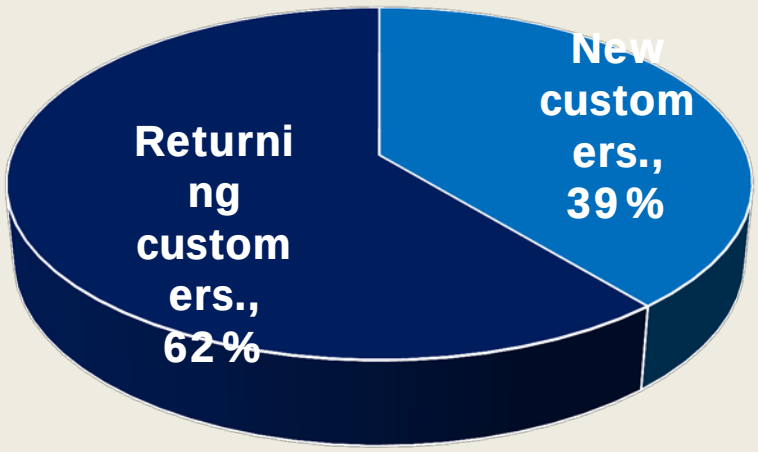
2014	42/58
2013	43/58
2012	42/56

Percentage of Gross Revenue
from New and Existing Customers

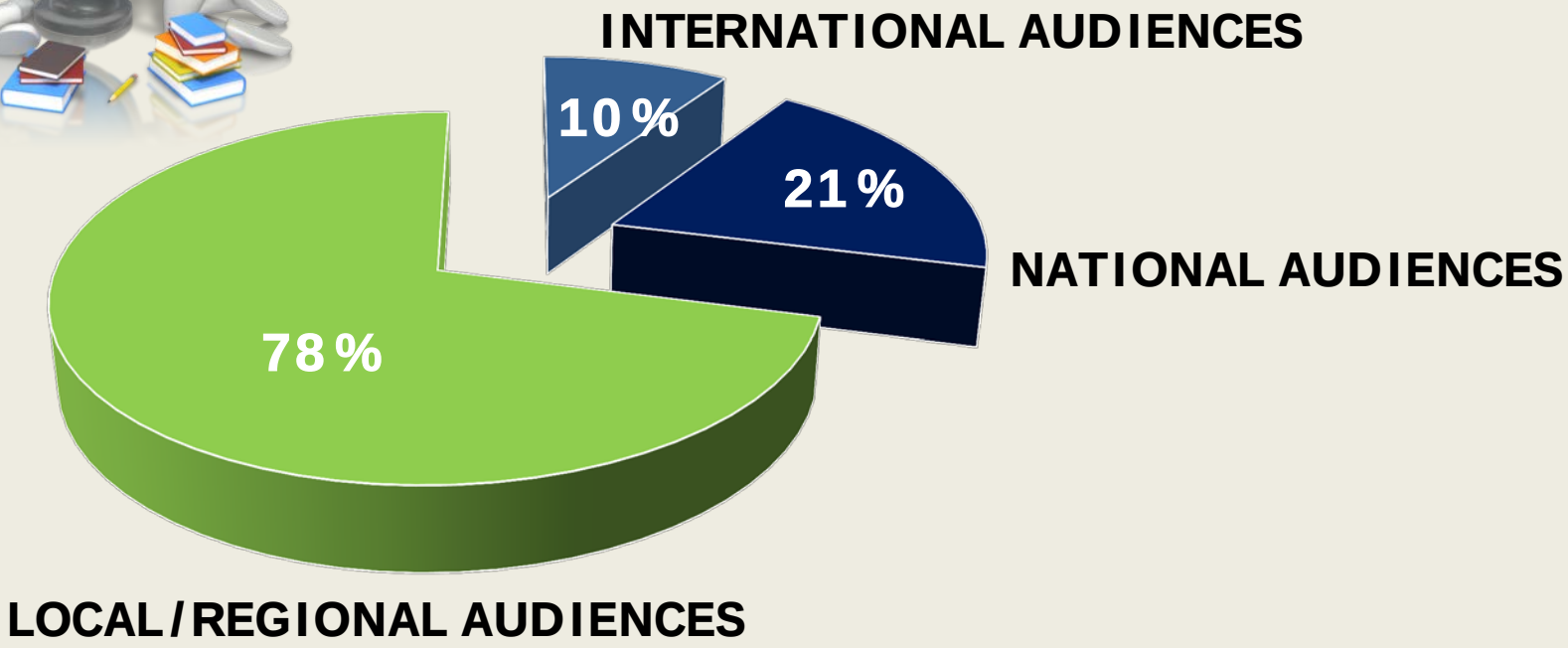
Continuing Education



Executive Education

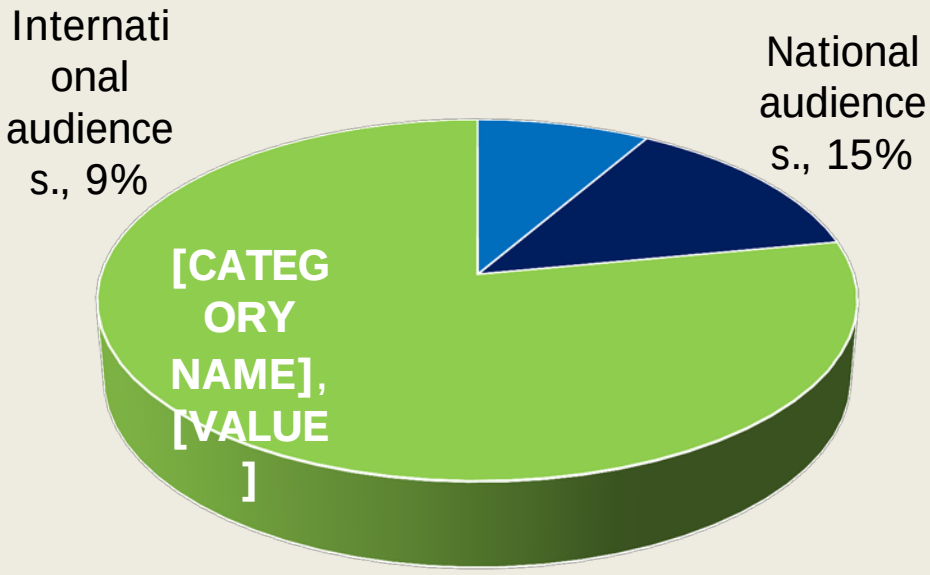


Percentage of Gross Revenue
By Participants' Nationality

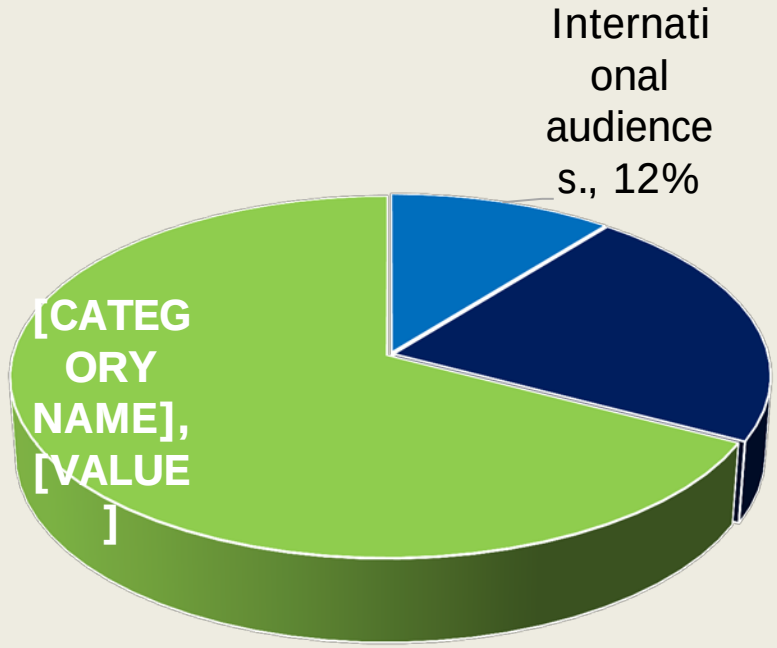


Percentage of Gross Revenue
By Participants' Nationality

Continuing Education



Executive Education



Questions? Comments?

We are happy to help you!